

Since 1960

PML Permanent Magnets Limited

Date : July 13, 2026

To,
Corporate Relationship Department
The Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Tower,
Dalal Street, Mumbai - 400 001

Dear Sir/Madam,

Subject : Annual Report of FY 2025-2026

Scrip Code : 504132

Pursuant to Regulation 34(1)(a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the Annual Report of the Company for the financial year 2025 - 2026.

The Annual Report is also available on the Company's website at:
<https://www.pmlindia.com/pages/investors> in Annual Report section.

Request you to take the above on record.

Thanking you,

Yours Faithfully,

FOR PERMANENT MAGNETS LIMITED

RACHANA SAWANT
COMPANY SECRETARY



+91-22-68285400



sales@pmlindia.com
www.pmlindia.com



Regd Office: Harsh Avenue, 302, 3rd Floor
Opp. Silvassa Police Station, Silvassa Vapi Main Road
Silvassa- 396 230. Dadra and Nagar Haveli (U.T.)*

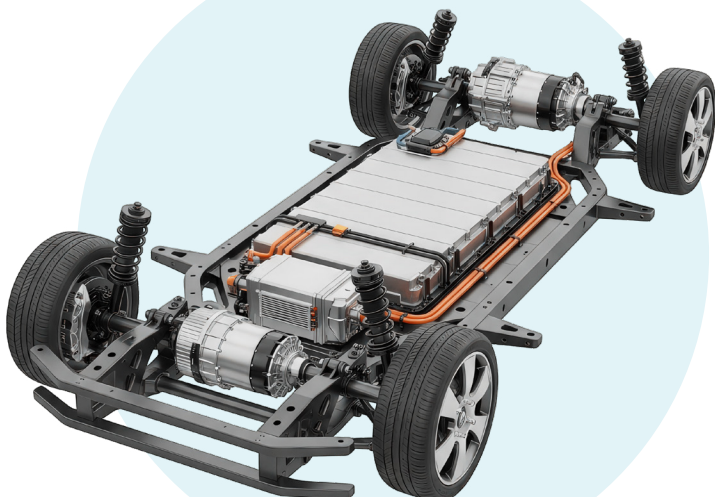
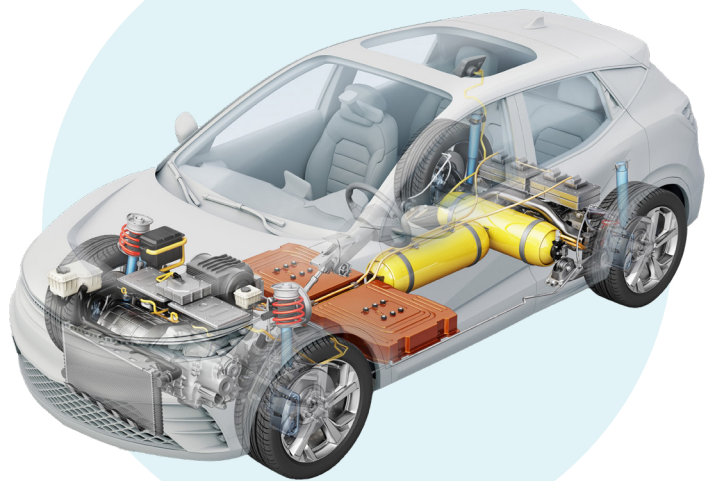
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Trust Reliability Quality

PML

Permanent Magnets Limited
65th Annual Report 2025-26



Trust Reliability Quality

Permanent Magnets Limited (PML) is built on three core values that define the Company's ethos: **Trust**, **Reliability**, and **Quality**.

/ Trust

PML builds trust through transparency and ethical conduct across all business practices. The Company works to understand the specific needs of its customers and delivers solutions on time with complete dedication. This approach has earned PML the confidence of leading global industry players.

/ Reliability

PML is recognised for its reliability. The Company's consistent delivery provides comprehensive support and strengthens the supply chains of its clients. This dependability has positioned PML as the preferred, and often the only, supplier across its product categories.

/ Quality

Quality is what sets PML apart from its peers. The Company's solutions are defined by high quality standards, which reinforce its reputation and help build long-term client relationships.

These guiding principles have been central to PML's success over the past six decades. The Company is confident that the values shaping its journey so far will continue to drive its achievements ahead. PML aims to be a leading global solutions provider that consistently delivers value to all stakeholders.

Inside this report

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For more information:
www.pmlindia.com

Forward Looking Statement

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and make informed investment decisions. This report and other statements - written and oral - that we periodically make, contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realized, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialize or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward looking statements, whether as a result of new information, future events or otherwise.

LETTER TO SHAREHOLDERS

Foundations of Growth

Dear Shareholders,

As I reflect on the financial year FY26, I am pleased to report that our Company returned to growth after a consolidation in FY25. The first half of the year remained subdued, but the second half saw a recovery in momentum, led by our Alloys division and supported by improving exports and steady demand in our electricity meter and automotive applications. The progress we made this year, across both our established businesses and our newer initiatives, gives me confidence in the road ahead.

A Year of Recovery and Growth

On a standalone basis, Revenue from Operations grew 13% in FY26 to around ₹ 225 crores. The recovery was concentrated in the second half, led by the scale-up of our Alloys division and capacity commissioning. The first half had been held back by lower exports business, particularly to the United States following interim uncertainty in tariff policy, and by weaker domestic demand in the energy meter segment. Both of these improved as the year progressed.

Profitability improved alongside revenue. Our standalone EBITDA margin for the year rose to 17%, from 14% in the previous year, aided by a more favourable product mix and the revenue scale-up in the second half. On a standalone basis, net profit grew 36%, even after absorbing a one-time provision relating to the new labour codes. Our consolidated results, by contrast, reflect the early investment phase at our subsidiary, Quantum Magnetics.

₹225 Crores

Top Line in FY26, up 13% YOY

Looking ahead, our focus remains on scaling up commercial operations across our key growth pillars: Alloys, Relays and Quantum Magnetics. The commercial ramp-up of these projects is expected to drive our growth in the coming years.



Navigating Our Established Verticals

Our automotive and Electric Vehicle (EV) business was broadly stable through the year. We supply primarily to Western EV manufacturers, where overall demand has held at similar levels even as Chinese manufacturers continue to gain share globally. In response, we are widening our customer base and are targeting a range of products for automotive and industrial use, which are already being supplied to electric two-wheeler OEMs. Our current transformer (CT) business also continued to grow well across the year.

In the domestic energy meter segment, demand was softer in the first half due to certain customer-specific factors but recovered later in the year. The larger opportunity for PML lies in Latching Relays, which we will be manufacturing under a licensing agreement with REL Developments Limited, UK. Relays are a higher-value products, up to five times the value of our existing basket of components such as shunts and current transformers, and they open a much larger addressable market for us. With only 65 million of the Government of India's targeted 250 million smart meters installed as of April 2026, under RDSS, we see a long runway for this business as it commercialises.

Strategic Growth Initiatives

Alloys has become one of our most important growth verticals. Our new furnace was installed in January and commercialised in the fourth quarter of FY26, and it operated at close to optimum capacity through the remainder of the year. We are now working to scale up commercial production through FY27 and are engaging with customers across oil and gas, aerospace, and other sectors. Our alloys facility holds the AS9100D certification, which supports our entry into aerospace and defence applications.

On Relays, we are behind our original timelines, and commercial ramp-up is now expected from the second half of FY27. The facility is largely ready, but customer testing and approvals have taken longer than we anticipated, as customers require extended endurance testing before adopting a new supplier. We remain engaged with several customers and continue to see relays as a meaningful driver of our metering business in the years ahead.

Over the long term, Quantum Magnetics aims to build integrated capacity of 5,000 tonnes by FY31.

Our subsidiary, Quantum Magnetics, is pursuing a longer-term opportunity in rare earth permanent magnets, under our joint venture agreement, to build a neodymium magnet value chain localised in India. This year we could not generate revenue from the existing assemblies business because of restrictions on rare earth magnets, but this has only strengthened the case for an Indian supply chain. The next phase of investment, covering block cutting, machining and surface treatment, is expected in the third quarter of FY27. Over the long term, the venture aims to build integrated capacity of 5,000 tonnes by FY31.

Closing Thoughts

FY26 has been a year of recovery and renewed momentum. We are mindful that some of our initiatives, Relays in particular, have taken longer to commercialise than we had initially planned, and our focus now is on converting this groundwork into commercial results. To support our long-term operations, we have also acquired land to bring our manufacturing operations together into a single, more efficient facility over time.

Looking ahead, our focus remains on scaling up commercial operations across our key growth pillars: Alloys, Relays and Quantum Magnetics. The commercial ramp-up of these projects is expected to drive our growth in the coming years.

On behalf of the Board of Directors and the entire management team, I thank you for your continued trust and support. We remain committed to building a resilient, future-ready organisation and to creating sustainable long-term value for all our stakeholders.

Sincerely,

Sharad Taparia
Managing Director

ABOUT US

PML at a glance

PML is a manufacturer specializing in a wide range of components and assemblies built on key core technologies, including current and speed sensing, magnetic shielding, and magnetic assemblies. These products are utilized across diverse sectors such as automotive, energy metering, and various other industries.

Our success comes from applying our core expertise to develop solutions that meet customer specifications and address their unique needs. The Company is committed to innovation, regularly exploring new technologies and extending its product range into new domains. By tracking industry trends and building competencies, PML adapts quickly to market changes and holds its position in a dynamic technological environment. Our consistent focus on quality has also established PML as a reliable partner for its clients.

Decades of Expertise

65+ years

of experience in magnets, magnetic assemblies, and components for electric vehicles and electric meters

Committed Team

A dedicated workforce of

805 team members

driving our success

Knowledge Capital

79 engineers

leading our innovation and technological advancement

Manufacturing Prowess

6

fully-equipped facilities supporting efficient production and superior quality

Expansive Product Range

350+

actively manufactured SKUs serving diverse industries

Embracing Key Trends

A meaningful presence in emerging areas such as

electric vehicles, smart meters and grids, and specialised alloys

Catering to Diverse Clientele Across the Globe



Electricity Meters
& Smart Grid



EV &
Automobiles



Specialised
Alloys



Gas
Meters



Electricals



Medical
Equipments



Aerospace &
Defence



Telecom

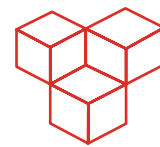
OUR VALUE PROPOSITION & CAPABILITIES

What Sets PML Apart

Value Proposition

We are more than a supplier of components and assemblies. **We are a dedicated solutions partner.** Our operations bring design, prototyping, and production expertise together under one roof, which lets us respond quickly as the needs of industries such as automotive, metering, alloys, and others continue to evolve. Our value proposition reaches beyond product delivery. We offer scalable manufacturing and a commitment to full customer partnership at every stage.

We Aim To Be A Comprehensive Solution Provider With Scalable Manufacturing Capabilities, In Our Core Competencies



Capabilities →

PML's distinctiveness rests on four foundational pillars:

Quality, Capability, Cost, and Knowledge. Together, these pillars anchor our commitment to delivering exceptional value to our partners and customers.



Quality

Customer satisfaction begins with consistent, high-quality products made to specification. We follow our clients' quality benchmarks closely, testing and inspecting both raw materials and finished goods. Our facilities run advanced measurement instruments such as the Koerzimat and BH Loop Plotter, which allow precise evaluation of magnetic performance and physical properties. Our AEC-Q200 laboratory supports full qualification and type testing, while custom application test setups track key quality parameters, so only the highest quality products reach our customers.



Capability

Our strength lies in designing and building tailored customised for each client. Over the years, we have sharpened these capabilities to meet the specific requirements of a diverse set of industries. Working closely with our in-house design and engineering teams, we offer practical insights and help optimise client designs and products. These capabilities let us turn ideas into tangible solutions that answer the precise needs of each client.



Cost

We are committed to cost-effective manufacturing that does not compromise on quality. Our production facilities run reliable, efficient equipment and hold certifications to IATF, AS, EMS, and OHSAS standards, a reflection of our focus on excellence. Regular customer audits help us hold these standards consistently. Our proprietary technologies, including NADCAP-compliant annealing furnaces, give us an edge and let us offer favourable cost structures to our partners.



Knowledge

PML's expertise spans metallurgy, mechanical, electrical, and electronics engineering, which helps us understand and anticipate our customers' requirements. Our multidisciplinary team builds customised solutions for complex challenges. By keeping pace with the latest manufacturing trends, our production managers ensure we adopt new technologies and stay at the forefront of innovation.

A Closer Look at Our Different Capabilities

PML has exceptional expertise in the fields of metallurgy, mechanical engineering, electrical engineering and electronics, enabling it to offer comprehensive solutions to its clients

Understanding of Quality and Client Requirements

Experts in metallurgy, mechanical, electrical and electronics

AEC-Q200 lab for qualifications & type tests

Measurement equipment's such as Koerzimat, BH Loop Plotter

Metals and Metallurgy

Melting & casting

Heat treatment

Die casting

Vacuum induction melting

Designing and Simulation

Designing components and modules

System optimisation and simulation

Customer-specific prototyping

Manufacturing technologies

Assembly processes

Finishing processes

Hot chamber die-casting

Plastic molding

PRODUCT PLATFORMS

Our Broadening Product Capabilities

Our strategy centres on building versatile capabilities rather than individual products. By prioritising technology and capability development, we stay agile in a fast-evolving market and can serve a wide spectrum of customer needs. This approach lets us draw on our core technologies to deliver customised solutions, which keeps us resilient through technological shifts and sustains a broad, addressable market.

Our Key Product Categories Include:



1 Magnetic Sensing

Magnetic sensing technology is employed to detect minute changes in the magnetic field. This technology often relies on high-quality shields, cores and magnetic sensors as commonly used devices for precise measurements.

Under the magnetic sensing product category, we specialize in some key technologies:



Magnetic Sensing by Hall Sensors

Combination of Shields/Cores along with Hall sensors is commonly used in BMS, MCUs, etc. in EVs.



Speed Sensing

Speedometers, primarily using Alnico magnets, are the most commonly used speed sensing devices.



Torque and Angular Sensing

Torque and angle sensors play a crucial role in determining the steering wheel position and the amount of torque exerted by the driver on the steering wheel. In modern automobiles, the Electric Power Assisted Steering (EPAS) system, also referred to as Electric Power Steering (EPS), extensively utilizes torque and angle sensing assemblies for optimal functionality.

Key Products:

Flux concentrators, C-Shield, SMD Shields, U-Shields, MuMETAL- Stress Annealed Sheet, Fabricated Shield, U-shields, Rotator, Flux Collectors, Stator and many more

Application Industry:

Automobile

2 Current Sensing

Current sensing or measurement is essential for various critical functions such as revenue generation, feedback control mechanisms, and monitoring processes. Several methods are employed to measure current, including the utilization of a Hall Sensor with Flux concentrator logic, Shunt logic, Current Transformer, or Rogowski Coil.

In advanced systems, current sensing modules are integrated assemblies that combine various components, including flux concentrators, shunts, Hall Sensors, temperature sensors, Controller Area Network (CAN) interfaces, and Internet of Things (IoT) capabilities to ensure accurate and efficient current measurement and monitoring.

Under the current sensing product category, we specialize in some key technologies:



Shunt Current Sensors

Shunts are precision components for the energy meter to measure power. The Shunt Resistor is used as a key part of the measuring device inside the electronic ammeter.



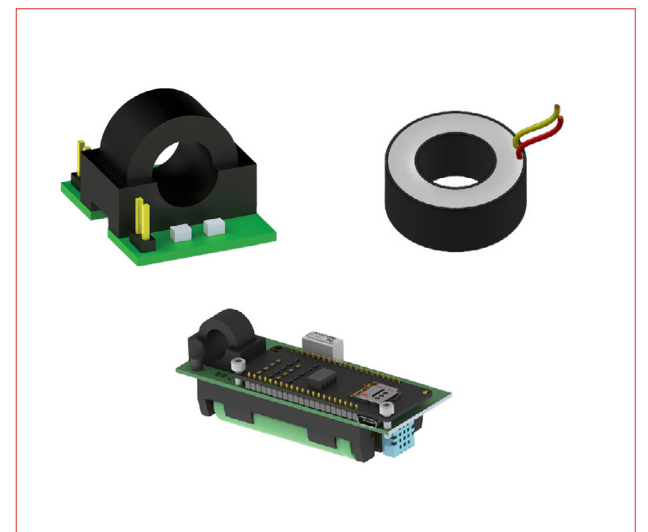
Hall Effect Sensors

Leveraging the Hall effect principle, our Hall effect sensors detect changes in magnetic fields when a current-carrying conductor is exposed to a magnetic field. These sensors, combined with flux concentrators, enable the measurement of magnetic field variations within the conductor, ensuring reliable current sensing.



CT-based Sensors

Current transformers (CT) are instrumental in measuring alternating electric currents for energy meters. These transformers produce a reduced, proportionate current that can be seamlessly connected to measuring and recording equipment. Widely used in metering and protective relays within the electrical power industry, CT-based sensors deliver accurate and dependable current measurement.



Key Products:

Shunts, Various types of Flux Concentrators & Current Transformers, various types of Ferromagnetic Shields and different modules like Hall Shunt Module, Clamp-on Current Sensor, IOT System and Smart Battery Clamp

Application Industry:

Automobile, Energy Meters and Renewable Energy

PRODUCT PLATFORMS (CONTD.)

3 Magnetic Assemblies

We excel in the development and manufacturing of components, devices and systems that harness the power of permanent magnets and electro-permanent magnets. These magnetic assemblies perform three essential functions - holding, lifting and separation, each serving distinct purposes in various industries and applications:



Holding

Magnetic holding serves multiple purposes, ranging from keeping metal instruments securely in place to holding objects during light-duty operations. It finds application in robotics for pick and place tasks, as well as in collecting and segregating scattered metal parts, among other uses.



Separation

Magnetic separation is a highly effective process utilized to extract ferrous metal contaminants from various materials, including dry particulates, liquids, chemicals, minerals, food products, pharmaceuticals, and recycled materials, among others. This technique allows for efficient purification and removal of unwanted ferrous substances, enhancing the quality and purity of the target materials.



Lifting

Lifting magnets provide a safe and efficient solution for transporting, lifting and securing steel products. These powerful magnets are extensively utilized in various industrial settings such as workshops, manufacturing units, garages, and processes like fabrication, forging and casting. By employing lifting magnets, workers can handle steel materials with ease and precision, enhancing productivity and ensuring the safety of operations.

Key Products:

Magnetic Lifters, Toucher Magnets, Sheet Transporter, Magnetic Sweepers, Touch Magnet, Magnetic Tray, Hand Magnet and many more

Application Industry:

Warehouses, Pharmaceutical, Food and Beverage, Garages and many others

4 Alloys

We apply our metallurgical expertise in melting, casting, and heat treatment to produce a wide range of specialized alloys. Each alloy is engineered to deliver specific characteristics and enhanced properties for diverse applications. Our current portfolio includes Nickel-Iron, Cobalt, Manganese, and Nickel-based alloys. Leveraging advanced casting technologies, we manufacture intricate components that offer exceptional strength, resilience, and dimensional precision. Recently, our alloys facility achieved AS9100D:2016 certification, unlocking new opportunities in the aerospace sector.

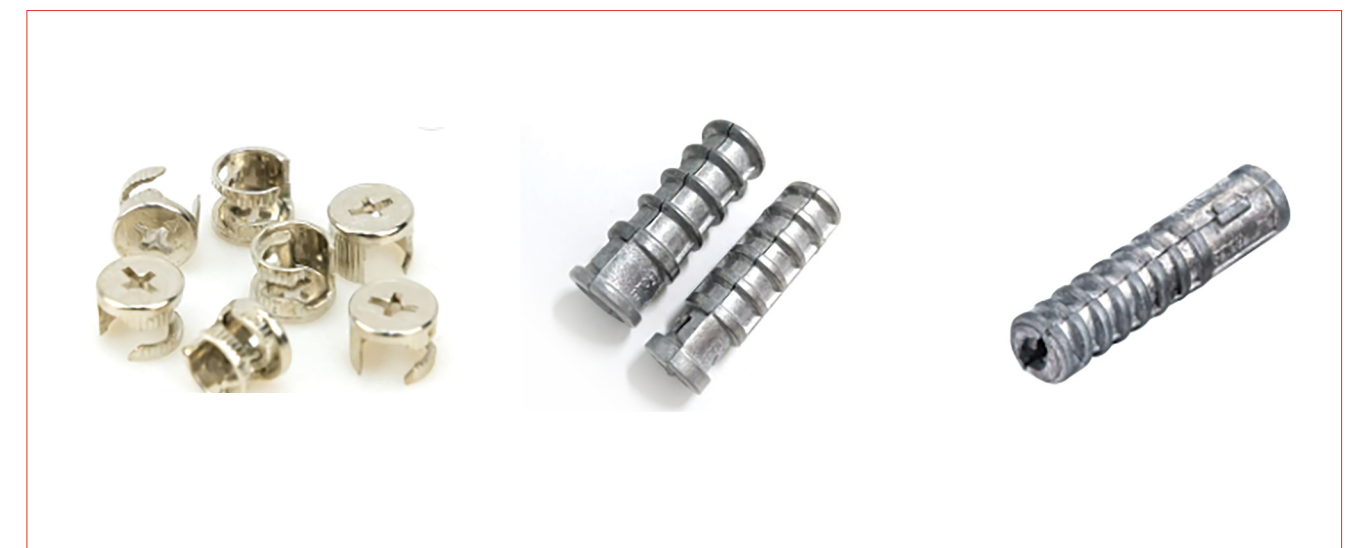


4 ZAMAK Die-Casting

ZAMAK (Zinc-Aluminium-Manganese-Copper) alloys are ideal for high-volume production of small parts, offering several key advantages. Their versatility enables the efficient molding of complex and intricate shapes. With superior material properties compared to aluminum alloys, ZAMAK is the preferred choice for die-cast components.

Application Industry:

Automobiles, LED Lighting, Connectors and many more



PRODUCT APPLICATIONS

Serving Diverse End Markets

PML is a trusted supplier of critical components and assemblies across a broad spectrum of industries. Our products are integral to sectors such as automotive, energy metering, and others, a reflection of their value across diverse applications.

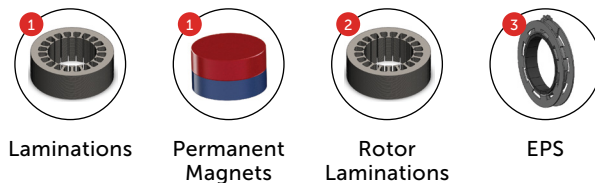
Automobiles

PML delivers a comprehensive portfolio of components and systems essential for enhancing vehicle efficiency and reliability, with a particular focus on current sensing solutions.

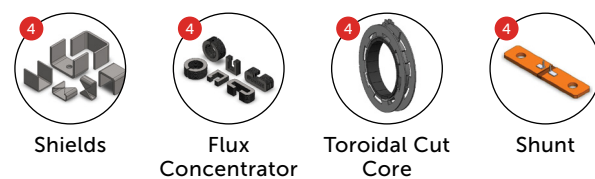
Our advanced offerings include

- Current measurement systems
- Advanced battery management technologies
- Motor and generator components
- Charging system elements
- Torque and angle measurement devices
- Safety and automation products

Speed Sensor

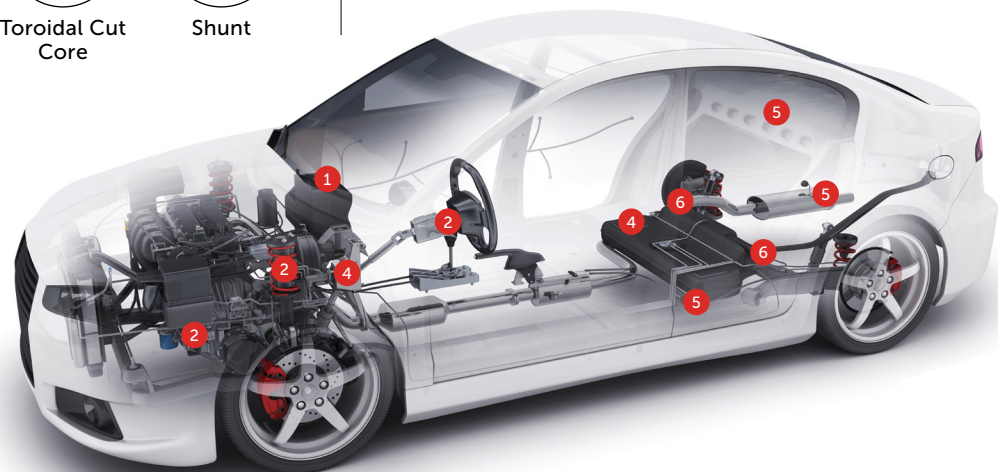
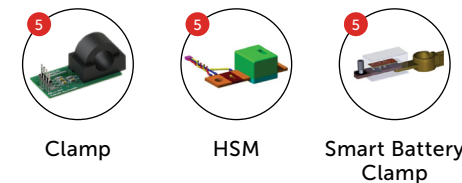


Shields/Cores/Shunts



We are actively developing modules and assemblies such as intelligent battery sensors and monitoring systems. These technologies enhance vehicle performance, optimize energy usage, and ensure smooth operation across various automotive applications.

Current Sensors Assemblies



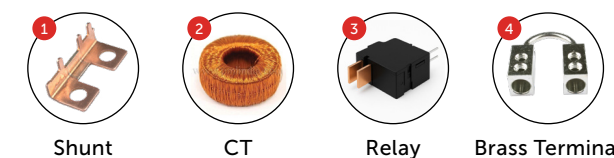
Electricity Meters

PML plays a pivotal role in the electricity metering value chain by supplying vital components for precise and reliable current sensing.

Our expertise encompasses the development of

- Flux concentrators
- Cores and shields
- Laminated flux concentrators
- Shunts & Current Transformers (CTs)
- Relay

These components are crucial for meter accuracy, enabling precise current measurement via hall sensors, shunts, or CT assemblies. By providing high-quality current sensing parts, PML ensures efficient meter operation and accurate billing within the energy sector.



Alloys

PML manufactures high-performance alloys, including Nickel-based and Cobalt-based super alloys, with outstanding quality on a reproducible basis. Super alloys are heat-resistant alloys of Nickel, Iron-Nickel, and Cobalt, used at elevated temperatures of up to 1200 degrees C. These alloys also offer excellent corrosion resistance in very extreme environments.

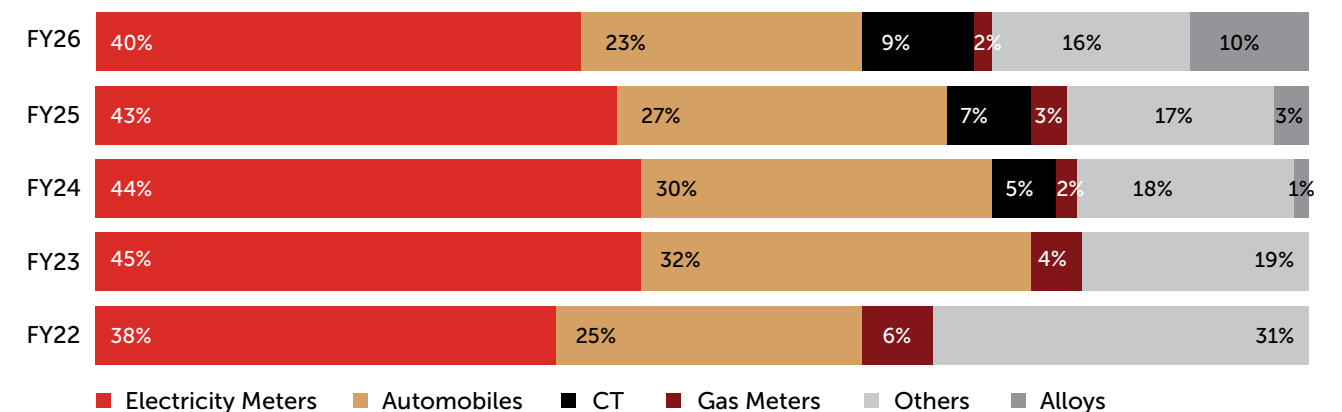
Our metallurgical expertise, combined with controlled melting, a state-of-the-art refining process, and rigorous alloy testing, makes PML a distinctive supplier of these niche alloys.

Other Application Industries



Application-based sales analysis

Electricity meters remain our flagship application industry, followed by automobiles. Our alloys business is ramping up well, supported by recent capacity additions. We have also expanded into new application categories, including alloys, electrical, medical, and aerospace sectors. Meanwhile, our gas meters product category is nearing the end of its life cycle.



THE PML ADVANTAGE

Built on Trust and Capability

PML stands out in the industry through its customer focus, deep domain expertise, and a culture of continuous innovation. Our capabilities span the entire product development value chain, from initial design and prototyping to full-scale commercial production. Our key differentiators include a strong client portfolio, seasoned leadership, strategic technical alliances, and robust quality assurance protocols. Together, these strengths form the foundation of our competitive advantage and support our sustained success in the marketplace.

1 Strong customer relationships

PML is recognised as a trusted partner, particularly in the automotive and electricity metering sectors. Our lasting client relationships stem from our commitment to quality and reliability. As a preferred supplier to leading manufacturers in these critical industries, we consistently demonstrate our expertise and our ability to meet evolving customer needs.

Automobile sector

PML is a key supplier in the global automotive market, serving around 50% of tier-1 companies worldwide. Our expertise covers both traditional internal combustion engine (ICE) vehicles and emerging electric vehicle (EV) technologies, with a growing share of business in the latter. This reach reflects our adaptability and relevance in a rapidly transforming industry.

Electricity meters

In the electricity metering market, PML has built a prominent position by supplying components to the top 3 global manufacturers. Our long-standing partnerships with these industry leaders reflect our reliability and technical proficiency. We are also making significant inroads into the domestic smart metering sector by onboarding new customers.



2 Exemplary quality assurance

We are committed to maintaining exceptional quality standards across our operations. Our rigorous control systems and adherence to industry benchmarks are validated through regular customer-led audits. We use advanced measurement equipment, such as the Koerzimat and BH Loop Plotter, to ensure precise evaluation of magnetic performance. Our in-house testing facility also carries out thorough assessments tailored to product-specific requirements.

Key Certifications



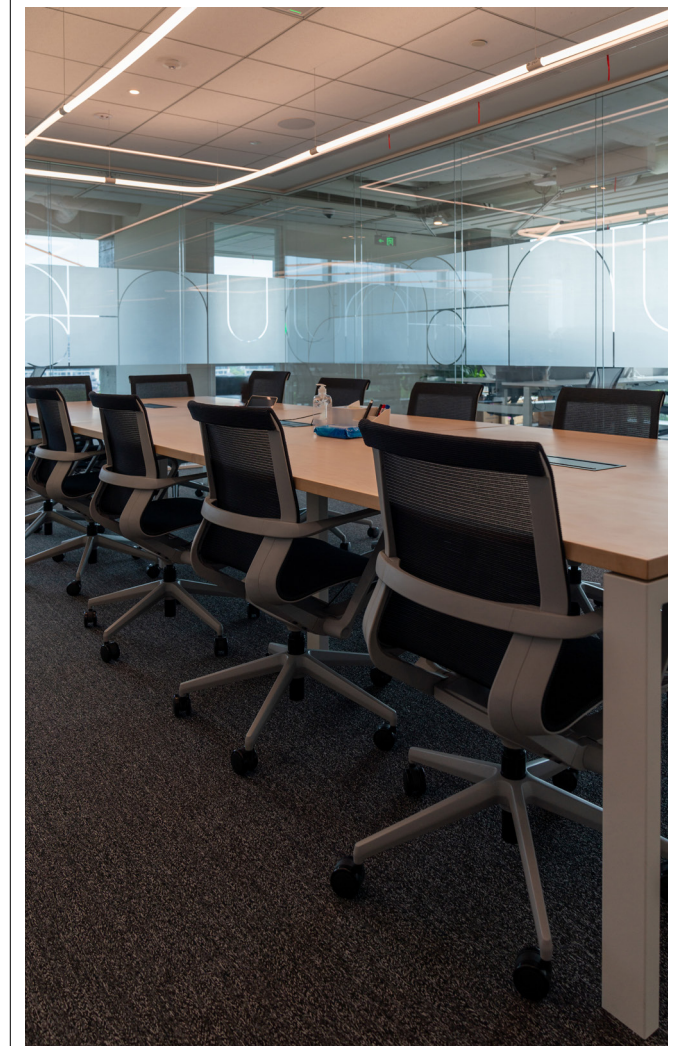
Our steady focus on quality control builds trust with our customers, assuring them that we consistently meet or exceed expectations. At PML, quality is not merely a standard. It is a core principle embedded in every aspect of our business.

AS9100D:2016

AS9100D:2016 also received for alloys, opening opportunities in aerospace sector

3 Guided by experience

Our success is driven by a balanced and accomplished management team that brings together experienced business leaders and a dynamic group of second-level managers. We are committed to developing this next generation of leaders by giving them hands-on experience, client engagement and exposure, and involvement in strategic projects such as new product development and capability expansion.



STRATEGIC PRIORITIES

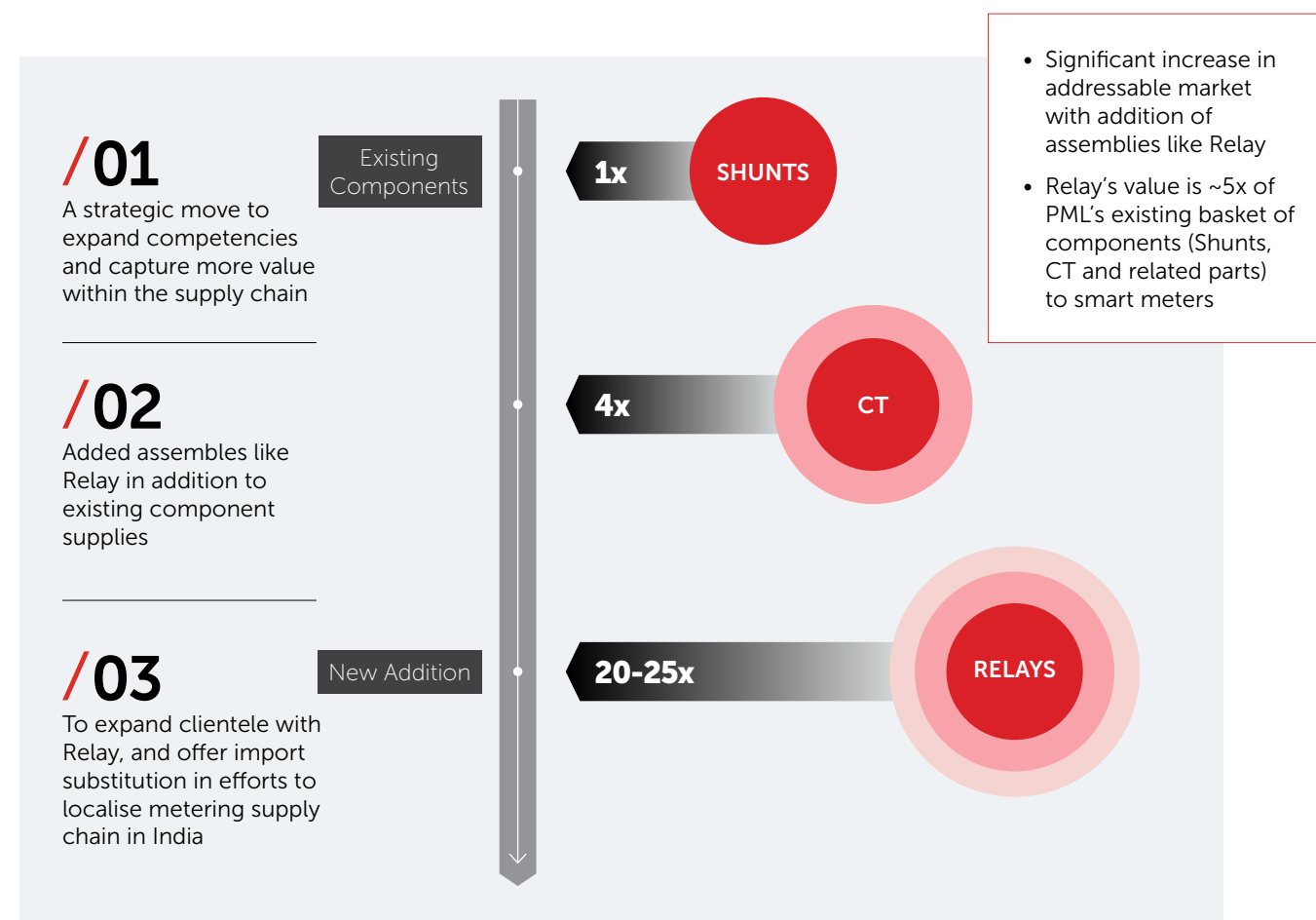
Building on Our Priorities

PML adopts a forward-thinking approach to its strategic priorities, viewing them as essential drivers of growth and long-term business resilience. These goals center on expanding capabilities, launching new products, adopting advanced technologies, and optimizing product management.

1 Strengthening Value-Chain Presence

PML is actively broadening its footprint across the value chain. The Company has initiated a transition from supplying components to delivering integrated modules & assemblies.

Recently, PML has also expanded into new product categories within existing applications such as electricity meters, such as addition of latching relays. This strategic move significantly increases the addressable market within existing sectors, as the value of relays is ~5X greater than PML's current portfolio of components for the energy metering sector.



2 Enhancing Technological Capabilities

PML acknowledges the critical role of technical expertise and continuous technology adoption. The Company is focusing on areas such as Rare Earth & NdFeB Magnets, Modules, Alloy Making, Casting, and Heat Treatment. PML is also exploring advanced applications in ZAMAK die-casting, high-volume sheet metal forming and wire winding.

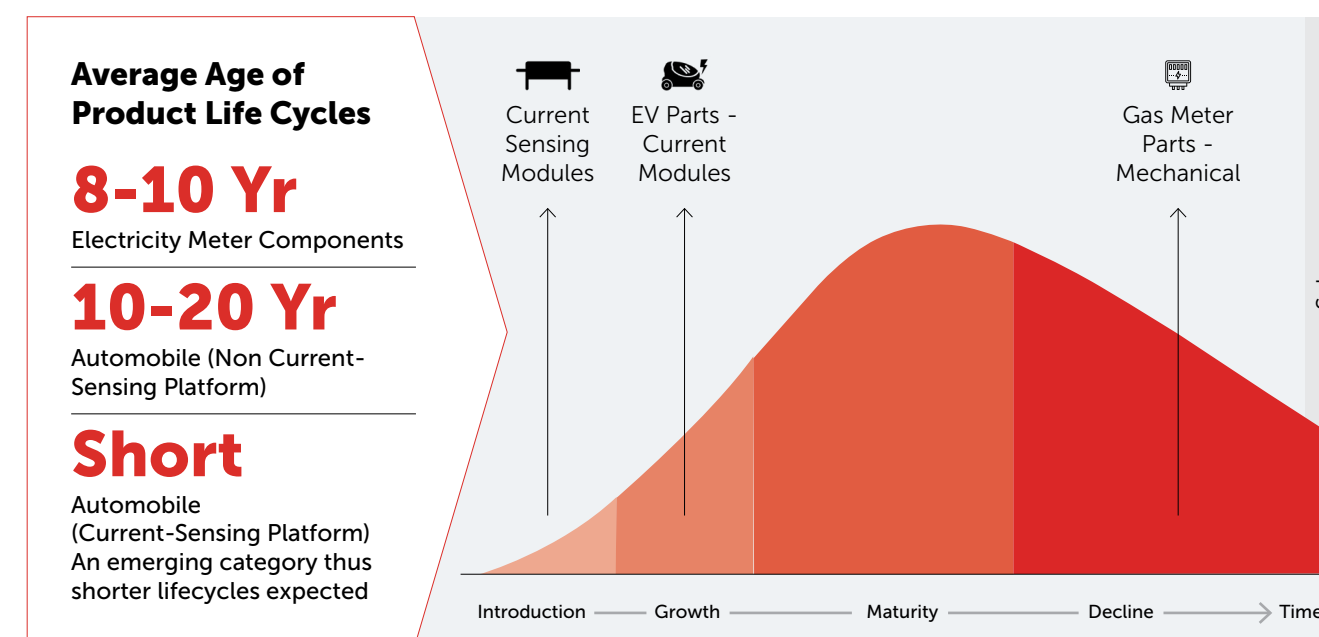
3 Managing Product Life Cycle

PML is pursuing a dual strategy:

Expanding its product pipeline

Entering new verticals based on core capabilities

To mitigate risks associated with product life cycles, PML is increasing the breadth of its offerings and targeting business opportunities with lower lifecycle risks, such as specialized alloys.



As part of its recent strategic initiatives, PML has entered specialised alloy manufacturing, building on its existing casting expertise. The division offers clear advantages: faster scale-up to commercial orders, greater product longevity, and lower lifecycle risk.

4 Advancing the Quantum Magnetics Roadmap

Through its Quantum Magnetics subsidiary, PML is localising the NdFeB rare earth magnet value chain in India. The roadmap follows a phased approach: magnet assembly products are already in production, with block procurement, cutting, machining and surface treatment planned for the near term, powder-to-block manufacturing in the medium term, and progressive backward integration into alloy, metal, and oxide integration thereafter. PML is targeting an integrated capacity of 5,000 tons by FY31, with targeted applications across automotive, wind energy, consumer electronics and motors.

5 Integrating Manufacturing Facilities

PML is streamlining its manufacturing operations to optimize costs and improve efficiency. The Company is consolidating its existing manufacturing facilities into a single site and has made significant progress in securing the necessary land for this project. By centralizing operations, PML aims to enhance synergies, reduce redundancies, and create a more agile manufacturing infrastructure.

KEY PERFORMANCE INDICATORS

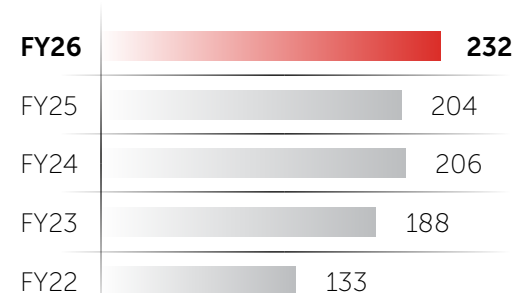
Rebuilding Momentum

FY26 marked a return to growth after a consolidation in FY25. Standalone revenue from operations grew 13%, EBITDA margin improved to 17% from 14%, and profit after tax rose 36%, supported by the commercialisation of the new alloys furnace in the latter part of the year. With progress continuing across alloys, relays and the Quantum Magnetics initiative, PML enters the coming year on a stronger footing.

Total Income

₹ in Crores

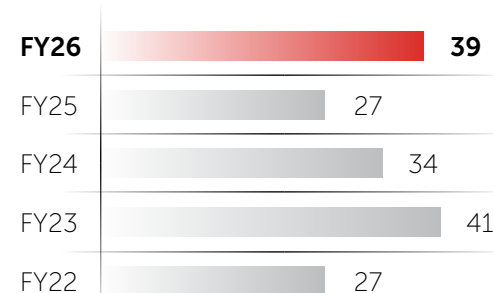
CAGR **15%**



Operating Profit

₹ in Crores

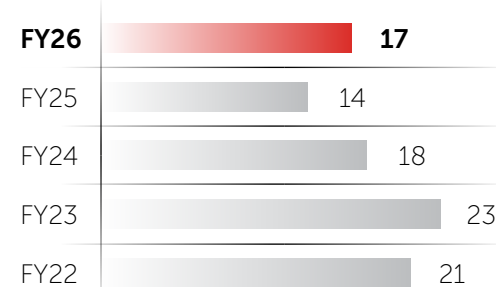
CAGR **10%**



Operating Profit Margin

In %

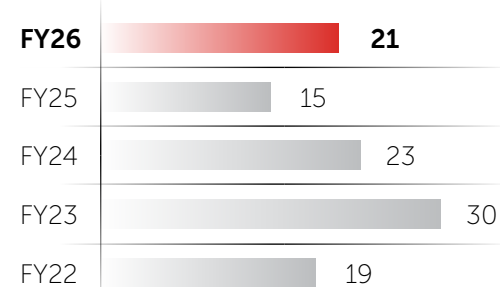
17%



Profit After Taxes

₹ in Crores

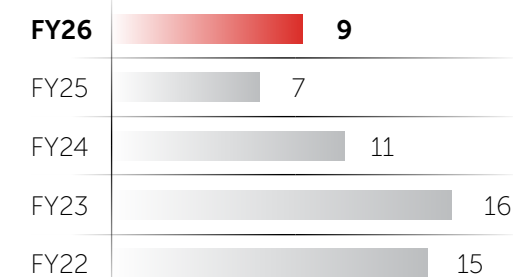
CAGR **3%**



Profit After Taxes Margin

In %

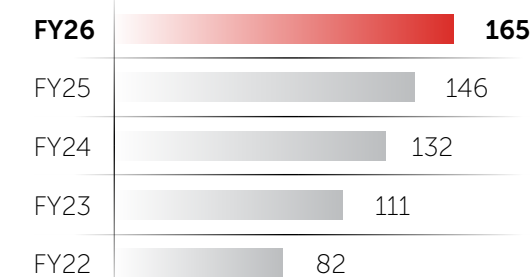
9%



Equity

₹ in Crores

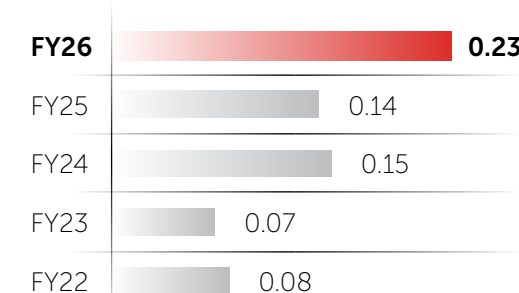
CAGR **19%**



Total Debt to Equity

In times

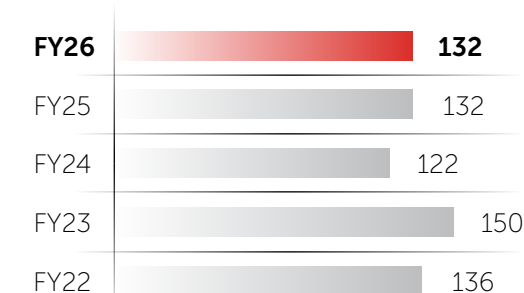
0.23



Working Capital Days

In Days

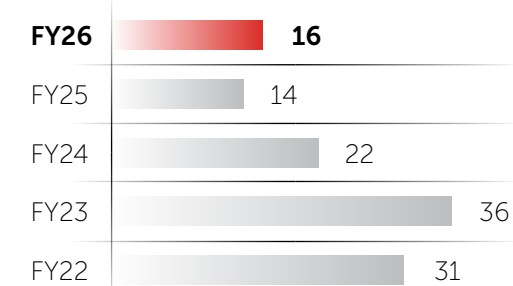
132



ROCE

In %

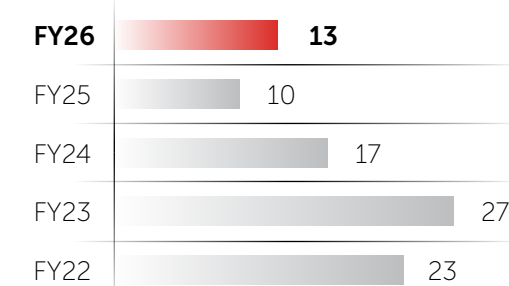
16%



ROE

In %

13%



Note: Standalone Figures

BOARD OF DIRECTORS

The Foundation of Our Governance

The success of our organisation is guided by a diverse and experienced Board of Directors, led by our Non-Executive Chairperson. Our Board brings together a balanced mix of Independent and Non-Executive members, each contributing distinct skills and knowledge to shape the Company's direction. The Board is committed to high standards of governance and actively offers varied perspectives. Together, they form a unified team focused on driving growth, encouraging innovation, and creating value for all stakeholders.



Nirmal Jain

Non-Executive Independent Director, Chairperson



With over four decades of experience, Mr. Jain, a fellow member of the ICAI and the ICSI, has held key roles at JSW Group since 1992. His expertise in mergers, finance, law, and restructuring was instrumental in establishing JSW as a rapidly growing conglomerate.



Sharad Taparia

Managing Director



Mr. Sharad Taparia, with over 29 years of experience in the magnet manufacturing industry, holds a BE degree and an MBA in Finance. He spearheads the overall management of the Company, driving growth and operational excellence.



Kamal Binani

Independent Non-Executive Director



Mr. Kamal Binani possesses over 43 years of experience in finance, accounting and taxation. With a strong background in these areas and a B.Com and CA qualification, he brings valuable expertise and independent perspective to the Board.



Mukul Taparia

Non-Executive Director



Mr. Mukul Taparia has more than 28 years of experience in international marketing and finance. Holding a Bachelor's degree in Computer Science from the University of Texas, Austin, and a Diploma in Business Engineering from Warwick University, UK, he contributes to the Company's strategic direction.



Sunaina Taparia

Non-Executive Director

Sunaina Taparia holds a Bachelor's degree in Fine Arts.



Girish Desai

Non-Executive Director

With over 53 years of experience in management, finance, taxation, corporate and security laws, HR, and industrial relations, Mr. Desai, with qualifications including M.Com, Grad-CWA, ACA, PGDSM, and PGDSL, offers a diverse range of expertise and insights to the Board.

C Chairman

A Audit Committee

N Nomination and Remuneration Committee

M Member

S Stakeholders Relationship Committee

C Corporate Social Responsibility Committee

CORPORATE SOCIAL RESPONSIBILITY

Building Beyond Business



1 & 4

Seeds of Awareness – For Education

Supported initiatives aimed at enhancing educational infrastructure and student learning.

2 & 5

Bodhgaya – Meditation Centre

Facilitated a dedicated centre to promote mental well-being through meditation.

3

Vijanbharti – Education

Facilitated educational programs aimed at holistic development of children.

Management Discussion and Analysis

Global Economy Overview

The global economy in FY26 remained resilient under pressure. Activity held up better than expected through most of 2025 despite higher tariff barriers and policy uncertainty, before facing a fresh test in early 2026 with the outbreak of conflict in the Middle East. The conflict has renewed energy-price volatility, lifted inflation expectations, and complicated the monetary-easing cycle that several major central banks had begun. Underlying growth remains subdued, the cumulative effect of successive shocks continues to weigh on potential output, and downside risks have risen.

The International Monetary Fund's April 2026 World Economic Outlook projects global growth at 3.1% in 2026, easing to 3.2% in 2027, a downgrade from the January 2026 update that largely reflects the Middle East disruption. The World Bank's January 2026 Global Economic Prospects offers a similarly cautious assessment, forecasting 2.6% growth in 2026 and 2.7% in 2027, and notes that, on the current trajectory, the 2020s are on track to be the weakest

decade for global growth since the 1960s. The OECD has made a similar assessment, with global activity continuing to track well below pre-pandemic trends.

The slowdown is broad-based but uneven. The United States is projected to grow between 1.6% and 2.2% in 2026, supported by fiscal incentives but constrained by the impact of tariffs on investment and consumption. China is expected to expand by 4.4% to 4.7%, aided by modest policy easing and a partial recalibration of US tariff rates. The eurozone is forecast at around 1.1%, a marginal improvement on 2025 but still weak. Among emerging markets, India remains the fastest-growing major economy, outperforming peers at a time when much of the world is decelerating.

The drivers of the subdued outlook are inter-related. Trade-policy uncertainty, though less acute than in mid-2025 after partial de-escalation between major economies, continues to depress investment intentions. The Middle East conflict has lifted oil prices and pushed the IMF's 2026 global headline



India enters FY27 with domestic resilience set against external turbulence. FY26 delivered real GDP growth of 7.6%, the strongest in recent years.

inflation forecast to 4.4%, an upward revision that narrows the room for monetary easing. Of particular relevance to industrial supply chains, China's rare-earth export controls announced in April 2025 and extended in October 2025 created a supply shock in critical materials. This prompted global manufacturers in automotive, wind energy and electronics to pursue alternative sourcing, accelerate adoption of alternate technologies.

Emerging-market and developing economies face a more constrained environment. The World Bank notes that per-capita income growth in developing economies has slowed to around 3% in 2026, roughly a percentage point below the pre-pandemic average, widening the convergence gap with advanced economies. Public debt is elevated, policy buffers have eroded, and the fiscal space to respond to fresh shocks has narrowed across much of the developing world, complicating the agenda of inclusive growth and poverty reduction.

Looking ahead, the global outlook is one of cautious stabilisation with elevated downside risk. A prolonged Middle East conflict, deeper geopolitical fragmentation, disappointment over AI-led productivity gains, or renewed trade frictions could each derail the projected recovery.

Source: IMF, World Bank, OECD

Indian Economy Overview

India enters FY27 with domestic resilience set against external turbulence. FY26 delivered real GDP growth of 7.6%, the strongest in recent years, which had supported a forecast of 7.0% to 7.4% for FY27 before the outbreak of the West Asia war at the end of February 2026 changed the macroeconomic outlook. India remains among the better-performing economies in an uncertain global setting. The IMF's April 2026 World Economic Outlook raised India's growth forecast for FY27 to 6.5%, an upward revision of 0.1% point over its January 2026 estimate, supported by carry-over momentum from FY26, a reduction in United States tariffs on Indian goods from 50% to 10%, and resilient domestic demand. India's policy buffers, sound financial system, and sustained public investment provide some insulation against the shock.

High-frequency indicators point to continued resilience, with some signs of stress in March 2026. E-way bill generation reached an all-time high of 140.6 million in March 2026, though year-on-year

growth has moderated from its November 2025 peak. The Manufacturing PMI eased to 53.9 in March 2026 from 56.9 in February, and the Services PMI moderated to 57.5, with both remaining in expansion. The Index of Eight Core Industries declined by 0.4% in March 2026, taking full-year FY26 growth to 2.6%, against 4.5% a year earlier, as the West Asia crisis weighed on energy and input supply chains.

Inflation remained moderate at the consumer level, with retail inflation at 3.4% in March 2026 and core inflation stable at around 3.7%, aided by measures to shield households from higher fuel prices. The wholesale price index, however, rose from 2.1% in February to 3.9% in March, signalling cost-push pressures that could transmit to consumer prices if supply disruptions persist. The Reserve Bank of India maintained a cautious stance, keeping the repo rate unchanged at 5.25% while monitoring second-round effects. System liquidity remained in surplus, and bank credit grew by 17.1% year-on-year as of 31 March 2026 on a broad-based footing, with financial stability indicators remaining strong.

India's external sector remained resilient through FY26. Total exports of goods and services rose 4.2% year-on-year to a record \$860.1 billion, services exports crossed \$400 billion for the first time to reach \$418.3 billion, and non-petroleum exports reached a high of \$387.8 billion. The effects of the West Asia crisis were visible in March 2026, when total exports and imports declined by 4.6% and 5.7% respectively.

The outlook is shaped by both opportunity and risk. The conflict represents a supply shock, with higher energy, fertiliser, and industrial input prices likely to raise inflation and pressure fiscal and external balances, while a below-normal Southwest monsoon, linked to possible El Niño conditions, poses a further risk to food prices. To ease these pressures, the Government has increased gas allocation to fertiliser production, waived customs duty, and raised the nutrient-based subsidy for the Kharif season. The Second Advance Estimates for FY26 project record foodgrain output. With strong domestic fundamentals and a tradition of strategic autonomy, India is well placed to benefit from a multipolar global order, while policy is expected to safeguard medium-term fiscal and external stability.

Source: Economic Review, April 2026, Department of Economic Affairs; Economic Survey of India 2025-26

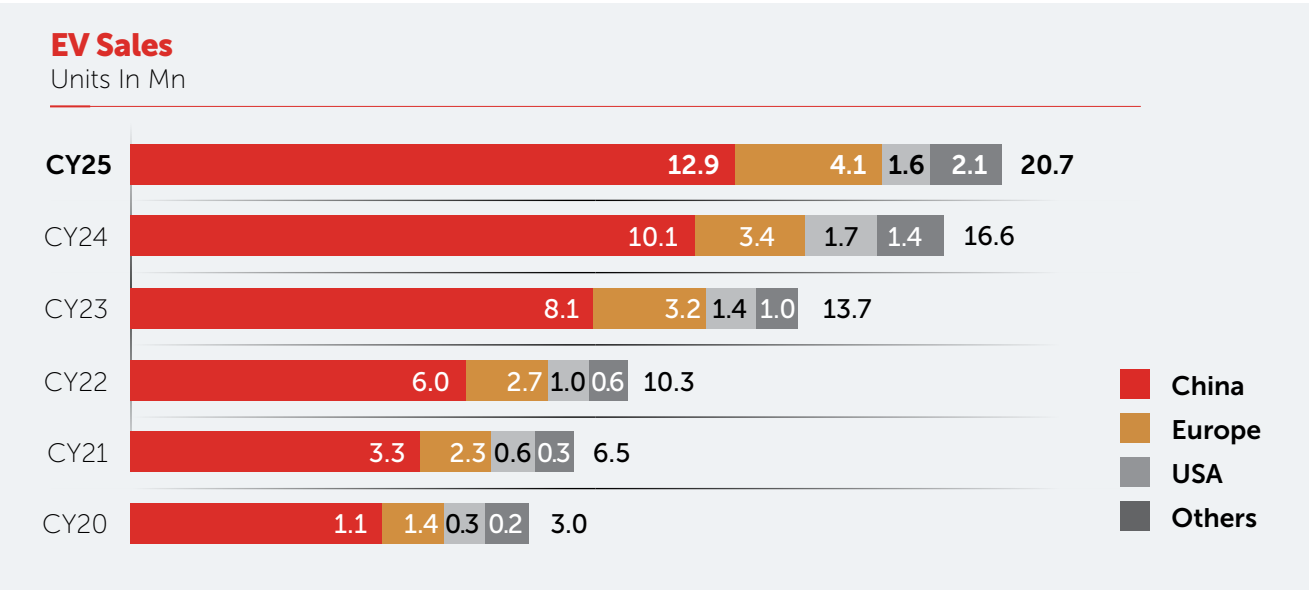


MANAGEMENT DISCUSSION AND ANALYSIS (CONTD.)

Global EV Trends

The global electric vehicle (EV) market continued to move from early-stage adoption towards mainstream penetration. According to the IEA, electric car sales reached ~21 million units globally, rising over 20% year-on-year, with one in four new cars sold worldwide being electric. This follows approximately ~17 million electric car sales in 2024, with the cumulative global stock now exceeding ~70 million vehicles by the close of 2025. Electric mobility extends well beyond passenger cars. Two- and three-wheelers account for the largest electrified share of road transport globally, with China, India, and Southeast Asia driving the bulk of adoption in these segments.

The IEA projects that EVs will account for more than 40% of global car sales by 2030, up from 25% in 2025. As the EV fleet grows, ICE vehicles will face continued displacement, with passenger cars and light-duty vehicles leading this shift, while electric commercial vehicles are set to play a growing role in the years ahead. The near-term outlook carries some uncertainty, particularly from the policy reversal in the United States and ongoing international trade tensions, but the overall direction of the global automotive industry towards electrification remains intact.



China’s EV market created a milestone in 2025, with electric cars accounting for more than half of all new car sales in the country for the first time. Strong domestic competition, a broad range of models across price points, and continued policy support drove this outcome. BYD has overtaken Tesla to become the world’s largest seller of electric vehicles. In Europe, the Union’s electric car sales grew 30%, led in absolute volumes by Germany, Spain, and Italy, with Poland recording the sharpest percentage

increase at 140%; the United Kingdom grew over 25%, and Norway saw battery electric vehicles reach a record 96% share of new car sales. In the United States, electric car sales declined 2% following the elimination of federal tax credits after September 2025 and the removal of financial penalties for non-compliance with fuel economy standards. Outside China, electric car sales in emerging and developing economies grew approximately 80% in 2025. India recorded a new annual high of ~2.3 million total EV units, with electric car sales growing over 75% year-on-year. Southeast Asian markets more than doubled their volumes, with Indonesia growing 125%, while Latin American and Caribbean markets grew ~70%, reaching close to 350,000 units.

The oil demand implications of growing EV adoption continue to build. The IEA projects that EVs will displace more than 5 million barrels per day of oil



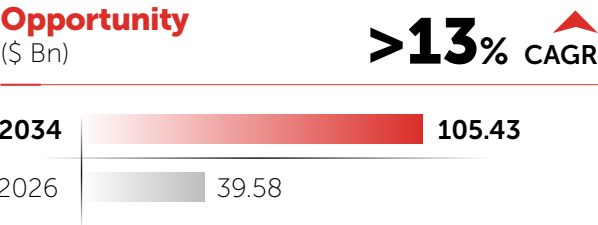
consumption by 2030 under current policy settings. Norway’s 96% battery electric share of new car sales in 2025 shows how the energy profile of road transport can shift in markets with long-standing adoption. Lithium iron phosphate (LFP) battery chemistry has become the dominant technology in the global EV market, lowering costs and extending cycle life, which is enabling more affordable models and broadening the consumer base in price-sensitive markets. Expansion of public charging networks and policy support across most major markets continue to support adoption, even as the regulatory environment in the United States and certain trade dynamics introduce near-term uncertainty in some regions.

Source: IEA and Recharged EV Market Trends 2026

Global Smart Meters

Advanced metering infrastructure has become a key component of the modern electricity grid. Smart meters capture real-time data on electricity consumption, including voltage, current, and power factor, enabling utilities to manage networks with greater precision and giving consumers visibility into their own usage. The global smart meters market was valued at USD 35.13 billion in 2025 and is projected to grow from USD 39.58 billion in 2026 to USD 105.43 billion by 2034, at a CAGR of over ~13%. The global smart electricity meters segment is separately expected to expand from USD 29.51 billion in 2026 to USD 48.04 billion by 2034, growing at a CAGR of ~6%. Asia Pacific accounted for ~58% of global smart electricity meter volumes in 2025, driven by large-scale rollouts across China, India, and Southeast Asia.

Global Smart Meters



Global Smart Electricity



Smart meter penetration across developed markets is at advanced levels. The United States has converted ~94% of its electricity meters to smart meters; Canada stands at ~96% and the European Union at ~63%, while Australia has achieved around 57% adoption. India, by contrast, has installed ~26% of its 250-million-unit national target under RDSS, representing one of the largest near-term deployment opportunities in the world. Government mandates and national rollout programmes remain the main driver of adoption across markets at earlier stages of the transition, and the pipeline of planned installations across Asia, Latin America, and Africa points to sustained industry growth through the decade.

The operational and financial case for smart metering continues to strengthen. By providing electricity distribution companies with continuous data on network conditions, smart meters enable more precise load forecasting, faster fault identification, and more effective detection of electricity losses and theft. For consumers, the transition brings accurate billing, faster restoration after outages, and the ability to monitor and respond to their own consumption in real time. For utilities, the financial benefits include lower field operation costs, reduced reliance on manual meter reading, and an improvement in billing and collection efficiency, with the potential to recover revenue currently lost to commercial losses.

As renewable energy penetration grows and electric vehicles add demand variability to distribution networks, smart meters are taking on a broader role in grid management. They provide the data infrastructure for integrating rooftop solar, battery storage, and residential EV charging into the network, enabling utilities to implement time-of-use tariffs and manage peak loads more effectively. Looking ahead, the industry’s expansion will be shaped by two dynamics: the replacement of legacy metering infrastructure with advanced AMI systems in mature markets, and large-scale greenfield deployments in emerging ones. North America and Europe continue to invest in next-generation platforms, while India, Southeast Asia, Latin America, and the Middle East and Africa are expected to account for a growing share of global installations over the forecast period. Countries including Brazil, Mexico, South Africa, and those in the GCC are expected to see strong growth in the coming years.

Source: Straits Research, Fortune Business Insights, Brightly, Electronics Media, Energy Networks, RDSS

MANAGEMENT DISCUSSION AND ANALYSIS (CONTD.)

India Smart Electricity Meters

India's smart metering programme, anchored in the Government of India's Revamped Distribution Sector Scheme (RDSS), is the largest smart meter rollout in the world. Launched in July 2021 with a total outlay of ₹3,03,758 crore, including ₹97,631 crore in central government budgetary support, the RDSS is a reform-based programme aimed at improving the operational efficiency and financial sustainability of India's power distribution companies (DISCOMs). The scheme's key targets are the reduction of Aggregate Technical and Commercial (AT&C) losses to 12-15% and the elimination of the gap between Average Cost of Supply (ACS) and Average Revenue Realised (ARR). AT&C losses, which capture electricity stolen, lost in transmission, and not collected, have declined from 21.91% in FY21 to 15.04% in FY25, reflecting progress under the scheme's reform framework.



The programme covers smart metering works sanctioned for 45 distribution utilities across 28 states and Union Territories, targeting 19.79 crore consumers, 52.53 lakh distribution transformers, and 2.05 lakh feeders. Rollout is executed by Advanced Metering Infrastructure Service Providers (AMISPs) selected through a standard bidding process mandated by the Ministry of Power. AMISPs take on end-to-end responsibility for supply, installation, operation, and maintenance under the TOTEX (total expenditure) model, with costs covered through debt and equity financing under long-term concession contracts of ten years. This structure enables real-time energy accounting, provides DISCOMs with granular consumption data for loss identification, demand forecasting, and renewable energy management, and ensures a single point of accountability for metering performance across each project geography.

Central funding under the RDSS is linked to demonstrated performance at the utility level. Release of funds is conditional on accountability parameters, including timely filing of tariff petitions, publication of audited financial statements, and clearance of state subsidy and departmental dues. Complementary policy measures support DISCOM financial viability through rules for timely subsidy disbursal, mechanisms for passing through fuel and power purchase costs, and performance-based borrowing limits for states. Data security is embedded in the programme's standards, with cyber security provisions incorporated into the Standard Bidding Document covering communication infrastructure, cloud security requirements, cyber incident management, and compliance with the Digital Personal Data Protection (DPDP) Act.

Deployment has accelerated over the course of FY26. As of 30th April 2026, the Ministry of Power reports that 224 million smart meters have been sanctioned under the RDSS, with contracts formally awarded for 151 million units and 65 million meters physically installed, compared to approximately 28 million in place as of May 2025. The scheme has been extended to FY2027-28, with completion of the full

250-million-meter target now expected by March 2028. The estimated cumulative investment required to complete India's smart meter programme stands at approximately USD 30 billion. Among states, Maharashtra leads with 11.2 million meters installed, followed by Uttar Pradesh at 10.0 million, Bihar at 8.9 million, Assam at 5.7 million, and Madhya Pradesh at 4.0 million.

Smart Meter Installation

250 Mn

GOI'S Targeted Installation

224 Mn

Meters Sanctioned

151 Mn

Meters Orders Awarded

65 Mn

Meters Installed

Smart Meter Installation

(Units in Mn)

Total RDSS Target	250.0
FY26	64.6
FY25	27.7
FY24	12.4
FY23	6.8

MANAGEMENT DISCUSSION AND ANALYSIS (CONTD.)

The financial and operational benefits of smart metering are growing. For DISCOMs, prepaid smart meters drive advanced revenue collection, improve collection efficiency, reduce outstanding receivables, and lower working capital requirements by reducing the float between supply and payment. The Ministry of Power estimates that full deployment could reduce annual revenue leakage by approximately ₹10,000 crore through reduced power theft and improved billing accuracy. For consumers, smart meters provide near real-time consumption visibility through mobile applications, enabling usage monitoring, budgeting, and alerts for low balance. Distribution utilities are also implementing consumer awareness programmes, including pamphlets, community outreach, and mobile app support, to build familiarity with prepaid metering. Taken together, the RDSS is building the operational and data infrastructure that India’s power distribution sector needs to manage an increasingly complex grid as renewable energy penetration and electric vehicle adoption grow.

State	Total Sanctioned	Awarded	Total Installed
Maharashtra	2,35,64,747	2,48,33,656	1,12,93,270
Uttar Pradesh	3,09,78,280	3,09,78,280	1,00,36,630
Bihar	1,72,08,939	1,72,08,600	89,97,596
Assam	67,35,074	68,30,374	55,74,044
Rajasthan	1,49,00,527	1,49,15,307	44,26,852
Gujarat	1,65,10,860	1,64,97,860	44,23,846
Madhya Pradesh	1,34,44,401	62,64,783	40,82,681
Chhattisgarh	59,62,115	70,70,288	38,52,073
Andhra Pradesh	56,10,846	56,73,063	28,66,154
Punjab	1,12,32,507	28,99,700	22,92,965
Jammu and Kashmir	21,34,095	20,72,763	14,02,210
Jharkhand	18,64,065	18,64,065	12,36,747
Himachal Pradesh	29,52,685	30,27,927	10,33,114
Haryana	10,00,000	10,00,000	8,47,467
West Bengal	2,12,08,759	37,24,273	6,04,945
Uttarakhand	15,87,870	15,87,870	5,50,243
Delhi	2,60,000	2,60,000	2,60,000
Tripura	4,47,489	4,47,489	2,46,419
Kerala	1,32,90,166	1,97,359	1,74,312
Tamil Nadu	3,01,40,849	1,40,849	1,29,641
Sikkim	1,44,680	1,44,680	89,000
Andaman and Nicobar	1,58,773	75,200	75,200
Arunachal Pradesh	2,87,446	2,87,446	71,427
Ladakh	58,930	58,930	55,580
Puducherry	4,03,767	4,03,767	52,035
Manipur	1,54,400	1,54,400	50,079
Nagaland	3,17,210	3,17,210	45,970
Mizoram	2,90,039	2,90,039	45,299
Chandigarh	29,433	29,433	24,214
Telangana	8,882	8,882	8,882
Goa	7,41,160	7,41,160	8,712
Odisha	4,500	4,500	4,500
Meghalaya	4,60,000	4,60,000	0
Grand Total	22,40,93,494	15,04,70,153	6,48,62,107

Smart Meter Installation

(Units in Mn)

Maharashtra		Bihar		Madhya Pradesh	
11.2	10.0	8.9	5.7	4.0	24.8
	Uttar Pradesh		Assam		Others

Source: National Smart Grid Mission, RDSS

Neodymium & Rare Earth Magnets

Rare earth permanent magnets, particularly neodymium-iron-boron (NdFeB) magnets, have become a critical component of the global electrification and energy transition ecosystem. NdFeB magnets are among the strongest commercially available permanent magnets and are widely used across electric vehicles, wind turbines, industrial automation systems, robotics, consumer electronics, and energy-efficient motors. Their high magnetic strength and compact size make them essential in applications where efficiency, miniaturisation, and power density are critical. Global demand for NdFeB magnets was estimated at approximately 119,000 tonnes in 2020 and is projected to rise to nearly 387,000 tonnes by 2030, driven primarily by accelerating adoption of electric mobility and renewable energy infrastructure.

The automotive industry remains one of the largest demand drivers for NdFeB magnets. Modern vehicles incorporate a number of electric motors across systems such as electric power steering, pumps, sensors, infotainment systems, and safety applications. Electric and hybrid vehicles require higher magnet intensity than internal combustion engine vehicles, particularly in traction motors where high-performance permanent magnets improve energy efficiency and torque density. At the same time, the expansion in onshore and offshore wind installations globally is creating another demand driver, as direct-drive wind turbines require substantial quantities of NdFeB magnets. Industrial automation, robotics, white goods, and advanced electronics are also contributing to the expanding market for rare earth magnetic materials.

Alongside rising demand, the global rare earth magnet supply chain has become a strategic focus. China continues to dominate the rare earth ecosystem across mining, oxide separation, metal refining, alloy production, and finished magnet manufacturing. According to the U.S. Department of Energy, China accounted for ~92% of global NdFeB magnet production capacity in recent years. Export controls introduced by China during 2025, covering several

medium and heavy rare earth elements including dysprosium and terbium, accelerated global efforts to diversify supply chains and reduce dependence on a single geography. In response, manufacturers globally are increasingly adopting technologies that reduce or eliminate the use of heavy rare earths through grain boundary diffusion and material optimisation techniques. This is driving a broader industry transition towards light rare earth magnet chemistries based primarily on neodymium and praseodymium.

India has the potential to become an alternative manufacturing and supply-chain destination within the global rare earth ecosystem. According to the Department of Atomic Energy and Atomic Minerals Directorate, India possesses substantial monazite resources containing light rare earth elements such as neodymium and praseodymium. As global OEMs seek alternate supply-chain partners outside China, opportunities are emerging for Indian manufacturers with capabilities across alloys, magnet processing, machining, and integrated magnetic assemblies.

Source: IEA, U.S. Department of Commerce, U.S. Department of Energy, Neo Performance Materials, ORF America, Atomic Minerals Directorate (AMD), Department of Atomic Energy (DAE), UBS Electric Vehicle Teardown Analysis

Company Overview

Established in 1960, Permanent Magnets Limited (PML) brings over six decades of experience in magnets, magnetic assemblies and shunt technologies. The Company is a provider of electrical components and assemblies, with core technological capabilities that serve a range of industries, including automotive, energy metering, renewable energy, aerospace and defence, and food and beverage.

PML has built specialized capability across 5 principal product categories: magnetic sensing, current sensing, magnetic assemblies, special alloys, and multislide ZAMAK die-casting. Across these areas, the Company delivers customer-specific solutions tailored to the needs of each industry it serves.

MANAGEMENT DISCUSSION AND ANALYSIS (CONTD.)

The Company’s expertise spans metallurgy, mechanical and electrical engineering, and electronics, allowing PML to offer integrated solutions to its clients. Decades in the industry have given PML a close understanding of the stringent quality standards and customer expectations in its markets.

PML’s capabilities extend to the design and simulation of components and modules, including rapid prototyping for client-specific applications. The Company works with a range of metals and metallurgical processes and uses manufacturing technologies that include assembly and finishing, hot chamber die-casting, and precision plastic moulding. PML operates 6 manufacturing facilities and is supported by a team of 800+ members, including 79 engineers.

Working closely with a global clientele, many of whom are leaders in their sectors, PML is often one of only two or three suppliers for specialized products and the exclusive supplier for several key customers. PML is a preferred partner for ~50% of the world’s tier-1 automotive manufacturers, supplying components for both conventional internal combustion engine (ICE) vehicles and electric

vehicles (EVs). It is also a trusted supplier to the top 3 electricity meter manufacturers globally and leading domestic meter manufacturers, holding a leading position and long-term relationships in this segment.

FY26 Standalone Performance Discussion

On a standalone basis, PML’s Revenue from Operations for FY26 grew 13% to ₹225.46 Crores from ₹199.54 Crores in the previous year, with total income up 14% to ₹231.65 Crores. EBITDA (excluding other income) expanded 43% to ₹39.01 Crores, and the EBITDA margin improved to 17% from 14%, aided by a favourable product mix and the scale-up of the Alloys division. Profit Before Tax and Exceptional Items grew 45% to ₹29.45 Crores, and after an exceptional charge of ₹1.74 Crores (on account of Provisions for New Labour Code Implementation), Profit Before Tax stood at ₹27.70 Crores. Net Profit (including other comprehensive income) rose 36% to ₹20.69 Crores from ₹15.16 Crores, translating into Earnings Per Share of ₹24.06 against ₹17.63 in the prior year. The year carried higher finance costs, up 44% to ₹3.12 Crores, and higher Depreciation and Amortisation, up 35% to ₹12.63 Crores, reflecting ongoing capital investments.



FY26 Consolidated Performance Discussion

On a consolidated basis, PML’s Total Income for FY26 grew 11% to ₹232.30 Crores from ₹209.21 Crores, with Revenue from Operations up 10% to ₹226.24 Crores. EBITDA (excluding other income) rose 21% to ₹36.70 Crores, and the EBITDA margin expanded to 16% from 15%. Profit Before Tax grew 16% to ₹24.14 Crores, and after an exceptional charge of ₹1.75 Crores (on account of Provisions for New Labour Code Implementation), Profit Before Tax stood at ₹22.39 Crores. Net Profit (including other comprehensive income) was ₹15.07 Crores against ₹15.74 Crores in the previous year, a decline of 4%, reflecting higher depreciation and amortisation, up 27% to ₹14.52 Crores, and higher finance costs, up 71% to ₹4.10 Crores, from ongoing capital investments across the Company’s growth platforms. Earnings Per Share were ₹17.52 against ₹18.30 in the prior year.

Financial Ratios

Ratios	FY26	FY25	% Change	Remarks
Current ratio (in times)	3.70	4.40	(15.87%)	NA
Debt-equity ratio (in times)	0.23	0.14	64.28%	Due to increase in borrowings in FY 25-26, Ratio increased
Debt service coverage ratio (in times)	3.45	3.66	(5.82%)	NA
Return on equity ratio (in %)	13.31%	10.89%	22.20%	NA
Inventory turnover ratio (in days)	87.72	98.76	(11.18%)	NA
Trade receivables turnover ratio (in days)	76.03	72.19	5.33%	NA
Trade payables turnover (in days)	55.96	60.46	(7.44%)	NA
Net capital turnover ratio (in days)	169.91	190.97	(11.03%)	NA
Net profit ratio (in %)	9.18%	7.60%	20.82%	NA
Return on capital employed (in %)	11.20%	13.81%	(18.93%)	NA
Return on Investment	NA	NA	NA	NA

Note: Standalone Figures

Outlook

PML enters FY27 with improved operational momentum and progress across its strategic growth projects. The Company expects the Alloys, Relay and Quantum Magnetics businesses to be the key drivers of future growth.

The Alloys division commenced operations of its new furnace during Q4FY26 and entered FY27 with better order visibility and growing enquiries from oil & gas, aerospace and industrial customers. The AS 9100D:2016 certification strengthens the Company’s ability to address opportunities in aerospace applications.

The Relay manufacturing facility is progressing through testing and customer qualification, with commercial production expected to commence in H2FY27. The facility has been designed with scalable capacity to support future growth in the smart metering sector.

Quantum Magnetics is advancing Phase 2 implementation, covering block cutting, machining and surface treatment capabilities. The Company expects commercialisation of rare earth magnet solutions to begin progressively as localisation efforts strengthen and supply-chain dependencies reduce.

India’s expanding smart metering programme, rising electrification, renewable energy adoption and the global focus on supply-chain diversification continue to create long-term opportunities for the Company. For FY27, PML plans to continue investing in capacity expansion and to pursue incremental growth opportunities. The Company remains focused on strengthening customer relationships, improving operational efficiency and enhancing value-added product offerings, while maintaining a disciplined approach to capital allocation and execution.

MANAGEMENT DISCUSSION AND ANALYSIS (CONTD.)

Risk and Concerns



Product Life Cycle Risk

PML operates across industries characterised by evolving technologies and changing product requirements. Shifts towards digital and solid-state solutions, particularly in smart metering, may impact demand for certain products. The Company mitigates this risk through continuous product development, including Latching Relays and advanced shunt assemblies, to maintain portfolio relevance and competitiveness.



Macroeconomic and Geopolitical Risk

Global economic uncertainty, geopolitical tensions, tariff actions, and supply-chain disruptions may impact export demand, raw material availability, operating costs, and borrowing conditions. US tariff-related disruptions affected exports during H1FY26. The Company mitigates such risks through customer diversification, geographic spread, and prudent operational and financial management.



Supply Chain and Critical Raw Material Risk

China's rare-earth magnet export restrictions impacted Quantum Magnetics during FY26 and disrupted raw material availability. The Company is pursuing localisation initiatives to strengthen supply-chain resilience. PML also remains exposed to fluctuations in prices of copper, specialty alloys, ZAMAK, and other key inputs linked to global commodity cycles.



Project Execution and Ramp-Up Risk

PML has undertaken multiple growth projects across the Alloys, Relay, and Quantum Magnetics businesses, which involve execution-related risks including delays in commissioning, approvals, and commercial ramp-up. Any delay in project implementation or customer acceptance may impact anticipated revenues and profitability. The Company continues to monitor execution closely through phased investments and project oversight.



Technological Risk

Rapid advancements in electrification, industrial automation, and smart infrastructure may alter customer requirements and increase the risk of technological obsolescence. The Company continues to invest in engineering capabilities, process development, and technology partnerships to align its products and manufacturing capabilities with evolving industry trends and customer expectations.



Competitive Risk

Increasing competition from domestic and global players may impact pricing, margins, and market share across product categories. Competition within the NdFeB rare-earth magnet segment is also expected to intensify. PML continues to strengthen its competitive positioning through quality certifications, customer relationships, engineering expertise, and value-added solution offerings.



Foreign Exchange Risk

PML's export and import operations expose the Company to fluctuations in foreign exchange rates. In addition, the External Commercial Borrowing undertaken by Quantum Magnetics increases currency-related financial exposure. Significant movements in INR/USD and INR/EUR exchange rates could impact operating margins, profitability, and debt servicing obligations.



Policy and Regulatory Risk

The Company operates across multiple regulated industries and geographies requiring compliance with various product, quality, and environmental standards. Changes in government regulations, trade policies, or industry norms could impact business performance. At the same time, supportive initiatives such as RDSS and PLI schemes continue to provide growth opportunities.

Internal Controls and Systems

The Company has established adequate internal control systems and procedures commensurate with the nature and scale of its operations. These controls are designed to ensure efficient conduct of business, safeguarding of assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records, and timely preparation of reliable financial information. The internal control framework covers operational, financial, compliance, and risk-management processes across the organisation. Internal audits and statutory audits are conducted periodically to review the adequacy and effectiveness of these systems.

The Audit Committee regularly reviews internal audit findings, control systems, financial reporting processes, and compliance matters, and ensures timely implementation of corrective actions wherever necessary. The Finance and Accounts function comprises qualified and experienced professionals who actively monitor budgets, financial controls, and reporting systems. During FY26, the Company reviewed and tested its internal financial controls and observed no material weakness in their operating effectiveness.

Industrial Relations and Human Resource Management

PML believes that its employees are central to its long-term growth. The Company remains committed to building a performance-driven, collaborative, and

learning-oriented work environment that supports employee development and organisational growth. The Human Resources function remained actively engaged in supporting workforce productivity, capability building, and organisational effectiveness. Industrial relations across all manufacturing facilities remained cordial and harmonious throughout the year. The Company's permanent employee strength stood at 166 as of March 31, 2026.

Cautionary Statement

Statements in the Management Discussion and Analysis describing the Company's objectives, expectations, estimates, or projections may constitute forward-looking statements within the meaning of applicable laws and regulations. These statements are based on certain assumptions and expectations of future events and are subject to risks, uncertainties, and other factors that could cause actual results to differ materially from those expressed or implied. Important factors that may affect the Company's operations include changes in economic conditions, raw material prices, customer demand, government regulations, foreign exchange fluctuations, interest rates, energy costs, competitive intensity, technological developments, project execution timelines, and other unforeseen events. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.



Corporate Information

BOARD OF DIRECTORS

Nirmal Kumar Jain (Chairman)
(Non-Executive, Independent Director)

Sharad Taparia
(Managing Director)

Kamal Binani
(Non-Executive, Independent Director)

Mukul Taparia
(Non-Executive Director)

Girish Desai
(Non-Executive Director)

Sunaina Taparia
(Non-Executive Director)

CHIEF FINANCIAL OFFICER

Sukhmal Jain
(Sr. Vice President - Finance & CFO)

COMPANY SECRETARY

Rachana Sawant

STATUTORY AUDITORS

M/s. Jayesh Sanghrajka & Co LLP
Chartered Accountants
405-408, Hind Rajasthan Building,
Dadasaheb Phalke Road, Dadar (E),
Mumbai - 400014

BANKERS

Central Bank of India
State Bank of India

REGISTERED OFFICE

Harsh Avenue, 302, 3rd Fl., Opp Silvassa Police station,
Silvassa Vapi Main Road, Silvassa, DN-396230
(CIN) L27100DN1960PLC000371
Website: www.pmlindia.com

REGISTRAR & TRANSFER AGENT

Adroit Corporate Services Private Limited
19/20, 1st Floor, Jafferbhoy Industrial Estate, Makhwana
Road, Marol Naka, Andheri (East), Mumbai - 400059.
Ph. 022 - 42270400
E-mail: info@adroitcorporate.com

CORPORATE OFFICE

Plot No. B-3, MIDC Industrial Area, Village Mira, Mira Road
(East), Thane - 401107.

FACTORIES

- 1) Plot No. B-3, MIDC Industrial Area, Village Mira, Mira Road (East), Thane - 401107.
- 2) Plot No. 22, Mira Co-op. Industrial Estate, Mira Road (East), Thane - 401107.
- 3) Plot Nos. A-8, A-9, A-13, MIDC Industrial Area, Village Mira, Mira Road (East), Thane - 401107.
- 4) Plot No. A3/2, MIDC Industrial Area, Village Mira, Mira Road (East), Thane - 401107.
- 5) Building No. 2, Survey no. 34/B/1 to 18 and 35/A at Hissa no. 1, Hriday Industrial Hub, Village - Chinchoti, Taluka Vasai, Palghar - 401208.
- 6) Building No. 1, Gala no. 1,101,201, Gala No. 2 and Gala No. 102, A1 Complex, Survey No. 63B, Plot No. A/1 to A/6 & Plot No. B/7 & B/8, Kaman Bhiwandi Road, Vasai - 401208.

BOARD COMMITTEES

Audit Committee

Nirmal Kumar Jain - Chairman
Sharad Taparia - Member
Kamal Binani - Member

Nomination and Remuneration Committee

Kamal Binani - Chairman
Nirmal Kumar Jain - Member
Mukul Taparia - Member

Stakeholders' Relationship Committee

Nirmal Kumar Jain - Chairman
Kamal Binani - Member
Mukul Taparia - Member

Corporate Social Responsibility Committee

Nirmal Kumar Jain - Chairman
Sharad Taparia - Member
Mukul Taparia - Member

Notice

NOTICE is hereby given that the 65th Annual General Meeting of the Members of Permanent Magnets Limited will be held on August 5, 2026, Wednesday at 2.30 PM.(IST) through Video Conferencing ("VC")/Other Audio-Visual Means ("OAVM") to transact the following items of business:

ORDINARY BUSINESS:

1. **To consider and adopt (a) the audited financial statement of the Company for the financial year ended March 31, 2026 and the reports of the Board of Directors and Auditors thereon; and (b) the audited consolidated financial statement of the Company for the financial year ended March 31, 2026 and the report of Auditors thereon.**

To consider and if thought fit, to pass, the following resolution, as an Ordinary Resolution:

- a) **"RESOLVED THAT** the audited financial statement of the Company for the financial year ended March 31, 2026 and the reports of the Board of Directors and Auditors thereon, as circulated to the members, be and are hereby considered and adopted."
- b) **"RESOLVED THAT** the audited consolidated financial statement of the Company for the financial year ended March 31, 2026 and the report of Auditors thereon, as circulated to the members, be and are hereby considered and adopted."

2. **To declare a final dividend of ₹2.20/-per equity shares, for the financial year ended March 31, 2026.**

To consider and if thought fit, to pass, the following resolution, as an Ordinary Resolution:

"RESOLVED THAT a dividend of ₹2.20/- (Rupees Two and twenty paise only) per equity share, being 22% on the face value of ₹10/- (Rupees Ten only) each fully paid-up, be and is hereby declared for the financial year ended March 31, 2026, as recommended by the Board of Directors, and that the same be paid to the eligible shareholders, subject to deduction of tax at source, in accordance with the provisions of Section 123 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder."

3. **To appoint a director in place of Sunaina Taparia (DIN: 07139610), who retires by rotation and being eligible, offers herself for re-appointment.**

To consider and if thought fit, to pass, the following resolution, as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, and Rules made thereunder (including any statutory modification(s), amendment(s), clarification(s), substitution(s) or re-enactment(s) thereof for the time being in force), Sunaina Taparia (DIN: 07139610), who retires by rotation at this meeting, be and is hereby appointed as a Non- Executive Director of the Company."

SPECIAL BUSINESS:

4. **Alteration of the Object Clause of the Memorandum of Association of the Company.**

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 4, 13 and 15 and other applicable provisions, if any, of the Companies Act, 2013 ("The Act") read with the Companies (Incorporation) Rules, 2014 and other applicable rules and regulations made thereunder, including any statutory modification(s) or reenactment(s) thereof for the time being in force, and subject to such approvals, permissions and sanction of Registrar of Companies, appropriate authorities, departments or bodies as and to the extent necessary, consent of the members of the Company be and is hereby accorded for effecting alterations in the existing Object Clause of the Memorandum of Association ("the MOA") of the Company in the following manner.

Clause III(1) of the MOA of the Company be and is hereby altered by substituting the existing sub-clause (1) with the following new sub-clause.

- III(1) To manufacture, process, buy, sell, exchange, alter, improve, manipulate, prepare for market, import or export and otherwise deal in all kinds of permanent magnets, ores, metals, alloys and their products, **latching and other relays, forgings, NdFeB including rare earth permanent magnets, current sensors, laminations of different materials, motors and parts of motor**, and to carry on the business of smelting, founding, melting, alloying, refining, making, shaping, treating, processing all kinds of metals and their alloys inclusive of powder metallurgy.

RESOLVED FURTHER THAT the Board of Directors and key managerial personnel be and is hereby severally authorised to do all such acts, deeds, matters and things and execute all such agreements, documents, instruments and writings as may be required, with power to settle all questions, difficulties or doubts that may arise in this regard and accede to such modifications and alterations to the aforesaid resolutions as may be suggested by the Registrar of Companies or such other authority arising from or incidental to the said amendment without requiring the board to secure any further consent or approval of the members of the Company."

5. **Approval for the Increase in Limits of Borrowings under Section 180(1)(c) of the Companies Act, 2013.**

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

"RESOLVED THAT in supersession of Special Resolution passed by the Members in its meeting held on August 31, 2023, pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 India (including any statutory modification(s) or re-enactment thereof for the time being in force), and in accordance with the Articles of Association of the Company, the consent of the Members of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as "the Board", which term shall be deemed to include any Committee thereof or any person(s) authorized by the Board), to borrow, from time to time, any sum or sums of money, with or without security, and upon such terms and conditions as the Board may deem fit, for the purpose of the business of the Company, notwithstanding that the monies to be borrowed together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid-up share capital, free reserves and securities premium of the Company, provided that the total amount so borrowed and outstanding at any point of time shall not exceed ₹300 Crores (Rupees Three Hundred Crores Only).

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things and to execute all such documents, instruments and writings as may be required to give effect to this Resolution."

6. **Approval for Increase in the limits for creation of charge, mortgage, hypothecation on or otherwise encumbering the movable and immovable properties of the Company.**

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 India (including any statutory modification(s) or re-enactment thereof for the time being in force), and in accordance with the Articles of Association of the Company, and in supersession of all earlier resolutions passed in this regard in its meeting held on August 31, 2023, the consent of the Members of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as "the Board", which term shall be deemed to include any Committee thereof or any person(s) authorized by the Board), to mortgage and/or create charge, in such form and manner and with such ranking and at such time(s) as the Board may deem fit, on all or any of the movable and/or immovable properties of the Company, both present and future, including its whole or substantially the whole of the undertaking(s) of the Company, together with the power to take over the management of the business and concern of the Company in certain events, in favour of any bank(s), financial institution(s), lender(s), or any other person(s) or body corporate(s), to secure the borrowings of the Company or to secure any loans, financial assistance or obligations availed/to be availed by the Company or by any other entity/body corporate, together with

interest, costs, charges, expenses and all other monies payable by the Company.

PROVIDED THAT the total amount of such borrowings/ financial assistance secured or to be secured by such mortgages and/or charges, at any point of time, shall not exceed ₹300 Crores (Rupees Three Hundred Crores Only).

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to finalize and execute all such documents, deeds, instruments and writings as may be required and to do all such acts, deeds and things as may be necessary to give effect to this Resolution."

7. **Consent of Members for Increase in Limits under Section 186 of the Companies Act, 2013**

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 186 and other applicable provisions, if any, of the Companies Act, 2013 India read with the Companies (Meetings of Board and its Powers) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), and in supersession of all earlier resolutions passed in this regard, the consent of the Members of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as "the Board", which term shall be deemed to include any Committee thereof or any person(s) authorized by the Board), to:

- (i) give any loan to any person or other body corporate;
- (ii) give any guarantee or provide any security in connection with a loan to any other body corporate or person; and
- (iii) acquire by subscription, purchase or otherwise securities, make a investment in other instruments.

as the Board may, in its absolute discretion, deem beneficial and in the interest of the Company;

PROVIDED THAT the aggregate of the loans and investments made, guarantees given, and securities provided by the Company to all persons or bodies corporate, together with the additional loans, investments, guarantees or securities proposed to be made, given or provided from time to time, in excess of the limits specified under Section 186 of the Companies Act, 2013, shall not exceed an aggregate amount of ₹300 Crores (Rupees Three Hundred Crores Only).

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to determine and finalize all terms and conditions, including the amount, timing, nature and manner of such loans, investments, guarantees and securities, and to vary, modify or alter the same from time to time as it may deem fit.

RESOLVED FURTHER THAT the Board be and is hereby authorized to execute all such agreements, documents, deeds and writings and to do all such acts, deeds, matters and things as may be necessary or expedient to give

effect to this Resolution, including settling any questions, difficulties or doubts that may arise in this regard, without requiring any further approval of the Members."

8. To ratify the remuneration of Cost Auditors for the financial year ending March 31, 2027

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), M/s Krishna S. & Associates, Cost Accountants (Firm Registration No. 100939), the Cost Auditors appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for FY 2026-27, be paid a remuneration of ₹1,00,000 (Rupees One Lakh Only) per annum plus applicable taxes and reimbursement of out-of-pocket expenses as may be incurred by them in the course of aforesaid audit be and is hereby ratified.

RESOLVED FURTHER THAT any Director or the Key Managerial Personnel of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

**By Order of the Board of Directors
For Permanent Magnets Limited**

**Place: Thane
Date: May 13, 2026**

**Sd/-
Rachana Sawant
Company Secretary**

**Corporate Office:
Plot No. B-3, MIDC Industrial Area, Village Mira,
Mira Road – 401107, Dist. Thane.**

Notes

- a. Pursuant to the Circular Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 5, 2020, 02/2021 dated January 13, 2021 and all other relevant circulars issued from time to time by the Ministry of Corporate Affairs ("MCA Circulars"), read with Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022, SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023 and SEBI/HO/CFD/CFD-PoD- 2/P/CIR/2023/167 dated October 7, 2023 issued by the Securities and Exchange Board of India ("SEBI Circulars"), and in terms of General Circular No. 10/2022 and 11/2022 dated December 28, 2022, General Circular No. 09/2023 dated September 25, 2023, General Circular No. 09/2024 dated September 19, 2024 and General Circular No. 03/2025 dated September 22, 2025 issued by the Ministry of Corporate Affairs, the Company is permitted to convene its Annual General Meeting ("AGM") through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM").
- b. The relative Explanatory Statement pursuant to Section 102 of the Act, is annexed hereto. The relevant details, pursuant to Regulations 26(4) and 36(3) of the Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment/re-appointment at this AGM are also annexed.
- c. In compliance with the aforesaid circulars, this Notice together with annual report 2025-26 is being sent only through electronic mode to those members whose email addresses are registered with the Company/depositories. Copies of the Notice and annual report 2025- 26 will also be uploaded on the Company's website at www.pmlindia.com, website of stock exchange i.e., BSE Ltd at www.bseindia.com. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-Voting system during the AGM) i.e. www.evotingindia.com.
- d. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Attendance Slip and Proxy Form are not annexed to this Notice.
- e. Register of Members and Share Transfer Register shall remain closed from July 29, 2026 to August 05, 2026 (both days inclusive) in terms of the provision of Section 91 the Companies Act, 2013.
- f. Members may note that the Board of Directors, in its meeting held on May 13, 2026 has recommended a final dividend of ₹2.20/- per share for fiscal year 2025-2026. The record date for the purpose of final dividend will be July 28, 2026. The final dividend, once approved by the members in the ensuing AGM will be paid within 30 days from the date of AGM, electronically through various online transfer modes to those members who have updated their bank account details.

SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 03, 2021 (subsequently amended by Circular Nos. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/687 dated December 14, 2021, SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 March 16, 2023 and SEBI/HO/MIRSD/POD-1/P/CIR/2023/181 November 17, 2023) has mandated that with effect from April 01, 2024, dividend to security holders (holding securities in physical form), shall be paid only through electronic mode. Such payment shall be made only after furnishing the PAN, choice of nomination, contact details including mobile number, bank account details and specimen signature.
- g. Pursuant to Finance Act 2020, dividend income will be taxable in the hands of the Members w.e.f. April 01, 2020 and the Company is required to deduct tax at source from dividend paid to Members at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their PAN with the Company/Adroit Corporate Services Private Limited - RTA (in case of shares held in physical mode) and depositories (in case of shares held in demat mode).

A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by email to rachana.rane@pmlindia.com by 5.00 p.m. IST on July 22, 2026. Members are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%. Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e.No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by sending an email to rachana.rane@pmlindia.com. The aforesaid declarations and documents need to be submitted by the shareholders by 5.00 p.m. IST on July 22, 2026.
- h. To support the "Green Initiative", Members who have not registered their email addresses are requested to register the same with the Company's Registrar and Share Transfer Agent/their Depository Participants, in respect of shares held in physical/electronic mode, respectively.

- i. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their Depository Participant in case the shares are held in electronic form and to M/s. Adroit Corporate Services Private Limited, in case the shares are held in physical form.
 - j. In case of joint holders attending the AGM, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote during the AGM.
 - k. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
 - l. SEBI has mandated that securities of listed companies can be transferred only in dematerialised form with effect from April 01, 2019. Accordingly, members holding shares in physical form are advised to avail the facility of dematerialisation and the Company/RTA has stopped accepting any fresh lodgment of transfer of shares in physical form.
 - m. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-Voting as well as the e-Voting system on the date of the AGM will be provided by CDSL.
 - n. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons Of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
 - o. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM.
- However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-Voting.
- p. Members are requested to note that, dividends if not encashed for a period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). Further, all the shares in respect of which dividend has remained unclaimed for 7 consecutive years or more from the date of transfer to unpaid dividend account shall also be transferred to IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline.
 - q. SEBI vide Circular Nos. SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/131 dated July 31, 2023, and SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/135 dated August 04, 2023, read with Master Circular No. SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/145 dated July 31, 2023 (updated as on August 11, 2023), has established a common Online Dispute Resolution Portal ("ODR Portal") for resolution of disputes arising in the Indian Securities Market. Pursuant to above-mentioned circulars, post exhausting the option to resolve their grievances with the RTA/Company directly and through existing SCORES platform, the investors can initiate dispute resolution through the ODR Portal (<https://smartodr.in/login>).
 - r. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.pmlindia.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-Voting system during the AGM) i.e. www.evotingindia.com.
 - s. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.
- THE INSTRUCTIONS TO SHAREHOLDERS FOR REMOTE E-VOTING AND E-VOTING DURING AGM AND JOINING MEETING THROUGH VC/OAVM ARE AS UNDER:**
- (i) The voting period begins on Saturday, August 01, 2026 at 10.00 a.m and ends on Tuesday, August 04, 2026 at 5.00 p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of July 28, 2026 may cast their vote electronically. The e-Voting module shall be disabled by CDSL for voting thereafter.

- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 09, 2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015, listed entities are required to provide remote e-Voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-Voting service providers (ESPs) providing e-Voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-Voting to all the demat account holders, by way of a single login credential, through their demat accounts/websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-Voting process.

Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

- (iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 09, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility. Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	- Users who have opted for CDSL Easi/Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi/Easiest are requested to visit cdsi website www.cdslindia.com and click on login icon & New System Myeasi Tab. - After successful login the Easi/Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by Company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. - If the user is not registered for Easi/Easiest, option to register is available at cdsi website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. - Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL Depository	- If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on Company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. - If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp

Type of shareholders	Login Method
	3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on Company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on Company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

HELPPESK FOR INDIVIDUAL SHAREHOLDERS HOLDING SECURITIES IN DEMAT MODE FOR ANY TECHNICAL ISSUES RELATED TO LOGIN THROUGH DEPOSITORY I.E. CDSL AND NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cDSLindia.com or contact at toll free no. 1800 21 09911.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at: 022 - 4886 7000 and 022 - 2499 7000.

Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- | | |
|--|---|
| <p>(v) Login method for e-Voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form.</p> <p>(i) The shareholders should log on to the e-Voting website www.evotingindia.com.</p> <p>(ii) Click on "Shareholders" module.</p> <p>(iii) Now Enter your User ID:</p> <p>a. For CDSL: 16 digits beneficiary ID,</p> <p>b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,</p> | <p>c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.</p> <p>(iv) Next enter the Image Verification as displayed and Click on Login.</p> <p>(v) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.</p> |
|--|---|

(vi) If you are a first time user follow the steps given below:

For Physical shareholders and other than individual shareholders holding shares in Demat.	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders). 1. Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. 1. If both the details are not recorded with the depository or Company please enter the member id/folio number in the Dividend Bank details field.

(vii) After entering these details appropriately, click on "SUBMIT" tab.

(viii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-Voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(ix) For shareholders holding shares in physical form, the details can be used only for e-Voting on the resolutions contained in this Notice.

(x) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

(xi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xvi) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xvii) There is also an optional provision to upload BR/ POA if any uploaded, which will be made available to scrutinizer for verification.

(xviii) Additional Facility for Non-Individual Shareholders and Custodians – For Remote Voting only:

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- It is mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the Scrutinizer to verify the same.

Alternatively Non Individual shareholders are required mandatorily to send the relevant Board Resolution/Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; investors@pmlindia.com, if they have voted from individual tab & not uploaded same in the CDSL e-Voting system for the scrutinizer to verify the same.

The Company has appointed CS Arun Dash, proprietor of M/s. Arun Dash & Associates, Company Secretaries (Membership No. FCS 9765) as the Scrutinizer to scrutinize the voting at the meeting and remote e-Voting process, in a fair and transparent manner.

The Results declared along with the Scrutinizer's Report(s) will be available on the website of the Company (www.pmlindia.com) and communication of the same will be sent to the BSE Limited within 48 hours from the conclusion of the AGM.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-Voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-Voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops/lpads for better experience.
5. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at rachana.rane@pmlindia.com or investors@pmlindia.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at rachana.rane@pmlindia.com or investors@pmlindia.com. These queries will be replied to by the Company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-Voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-Voting during the meeting is available only to the shareholders attending the meeting.
11. Since the AGM will be held through VC/OAVM, the Route Map is not annexed in this Notice.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to info@adroitcorporate.com/investors@pmlindia.com.
2. For Demat shareholders -Please update your email id & mobile no. with your respective Depository Participant (DP).
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 21 09911.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai. - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 21 09911.

**By Order of the Board of Directors
For Permanent Magnets Limited**

**Place: Thane
Date: May 13, 2026**

**Corporate Office:
Plot No. B-3, MIDC Industrial Area, Village Mira,
Mira Road – 401107, Dist. Thane.**

**Sd/-
Rachana Sawant
Company Secretary**

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 AND/OR REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

Information in respect of the directors retiring by rotation/seeking appointment/re-appointment pursuant to the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and Secretarial Standards:

Name of Director	Sunaina Taparia
Age	50 years
Date of Birth	November 30, 1975
Date of Re-appointment/appointment on the Board	April 01, 2015
Qualifications	Bachelors in Fine Arts
Expertise in specific Functional area	Fine Arts
Directorship held in other public companies (excluding foreign/Private companies/LLP)	N.A
Memberships/Chairmanships of committees of other Public companies (includes only Audit and Shareholders/Investors Grievance Committee)	N.A.
Number of shares held in the Company	76800
Relationship with other Directors/Key Managerial Personnel	Wife of Sharad Taparia
Terms and conditions of re-appointment along with details of remuneration sought to be paid	Re-appointed as a Non-Executive Director, liable to retire by rotation, and entitled to sitting fees for attending the meetings of the Board and/or its Committees, as approved by the Board from time to time.
Remuneration last drawn	N.A
Remuneration proposed to be paid	N.A
Number of meetings of the Board attended during the year	4
Listed entities from which the Director has resigned in the past three years	N.A.

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

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

ITEM NO. 4

Alteration of the Object Clause of the Memorandum of Association of the Company.

Your Board has to consider from time to time proposals for diversification into areas which would be profitable for the Company as part of diversification Plans. For this purpose, the Objects Clause of the Memorandum of Association of the Company ('MOA'), which is presently restricted in scope, is required to be comprehensive so as to cover a wide range of activities to enable your Company to consider embarking upon new projects and activities. The alteration in the Objects Clause of the MOA as set out in the Resolution is to facilitate diversification. This will enable the Company to enlarge its area of operations and carry on its business economically and efficiently and the proposed activities can be, under the existing circumstances, conveniently and advantageously combined with the present activities of the Company. The "Main Object" clause of the MOA of the Company is proposed to be amended by substitution of the existing sub-clause 1. The Board at its meeting held on May 13, 2026 has approved the proposed alteration of the MOA of the Company and the Board now seek Members' approval for the same. The draft copy of the Memorandum of Association of the Company with the proposed alteration is available for inspection at the office of the Company on any working day during Business Hours till the date of AGM. The Amendment shall be effective upon the registration of the resolution with the Registrar of the Companies. The proposed change of object clause requires the approval of shareholders through Special Resolution pursuant to the provisions of Section 13 of the Companies Act, 2013.

None of the Directors, Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board recommends the Special Resolution set forth in Item No. 4 of the Notice for approval of the Members.

ITEM NO. 5 & 6

Item No. 5: To Increase the Borrowing Limits of the Company

Item No. 6: Creation of Charge on the Assets of the Company under Section 180(1)(a) of the Companies Act, 2013

At the Annual General Meeting ("AGM") of the Company held on August 31, 2023, the Members had accorded their consent to the Board of Directors of the Company ("Board") for borrowing monies (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) up to ₹100 Crores under Section 180(1)(c) of the Companies Act, 2013. The Members had also accorded their consent to the Board to create charge on the properties or assets of the Company to secure borrowings up to ₹100 Crores under Section 180(1)(a) of the said Act.

In order to further expand its business operations and to meet increased financial requirements for planned

expenditures, it is proposed to enhance the borrowing limits of the Company to ₹300 Crores (Rupees Three Hundred Crores Only).

The Company may be required to secure such borrowings by creating mortgage and/or charge on all or any of the movable and/or immovable properties of the Company, in favour of the lender(s), in such form, manner and ranking as may be determined by the Board from time to time, in consultation with the lender(s).

Pursuant to Section 180(1)(a) of the Act, any proposal to sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company, or where the Company owns more than one undertaking, of the whole or substantially the whole of any such undertaking(s), requires the approval of the Members by way of a Special Resolution.

Accordingly, the consent of the Members is being sought for enhancement of the borrowing limits and for authorizing the Board to secure such borrowings by way of mortgage/charge on any of the movable and/or immovable properties and/or the whole or any part of the undertaking(s) of the Company, as set out in Resolution Nos. 5 and 6 of the Notice. The Board of Directors recommends the resolutions set out in Item Nos. 5 and 6 of the Notice for approval of the Members by way of Special Resolutions.

None of the Directors, Key Managerial Personnel of the Company, or their relatives are concerned or interested, financially or otherwise, in the said resolutions.

ITEM NO. 7

Pursuant to the provisions of Section 186 of the Companies Act, 2013, the Board of Directors of a Company is authorized to give loans, provide guarantees or securities, or make investments in securities of any body corporate, within the limits prescribed therein, i.e., sixty percent of the aggregate of the paid-up share capital, free reserves and securities premium account or one hundred percent of its free reserves and securities premium account, whichever is higher.

As per the latest audited Balance Sheet of the Company as at March 31, 2026, sixty percent of the paid-up share capital, free reserves and securities premium account amounts to ₹98.98 Crores, while one hundred percent of its free reserves and securities premium account amounts to ₹156.37 Crores. Accordingly, the maximum limit available to the Company under Section 186(2) of the Act is ₹156.37 Crores.

In view of the above and considering the Company's long-term business plans and funding requirements, which may necessitate making loans, investments and providing guarantees or securities to persons or bodies corporate from time to time, it is proposed to seek prior approval of the Members to enhance the said limits up to an aggregate amount not exceeding ₹300 Crores (Rupees Three Hundred Crores Only), notwithstanding that the aggregate of such

loans, investments, guarantees and securities exceeds the limits specified under Section 186 of the Act.

Accordingly, approval of the Members is sought by way of a Special Resolution as set out in Item No. 7 of the Notice. The Board of Directors recommends the resolution for approval of the Members.

None of the Directors, Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution, except to the extent of their shareholding, if any, in the Company.

ITEM NO. 8

To appoint Krishna S. & Associates, Cost Accountant, as the Cost Auditor of the Company and to fix their remuneration:

The Board of Directors, on the recommendation of the Audit Committee, has approved the appointment of Krishna S. & Associates, Cost Accountant, as the Cost Auditor of

the Company to conduct the audit of cost records for the financial year ending March 31, 2027, at a remuneration of ₹1,00,000/- (Rupees One Lakhs only), plus applicable taxes and reimbursement of out-of-pocket expenses.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors, as recommended by the Audit Committee and approved by the Board of Directors, is required to be ratified by the members of the Company. Accordingly, ratification by the members is sought for the remuneration payable to the Cost Auditors for the financial year ending March 31, 2027 by passing an Ordinary Resolution as set out at Item No. 8 of this Notice.

None of the Directors, Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board of Directors commends the Ordinary Resolution set out at Item No. 8 of this Notice for ratification by the members.

**By Order of the Board of Directors
For Permanent Magnets Limited**

**Place: Thane
Date: May 13, 2026**

**Corporate Office:
Plot No. B-3, MIDC Industrial Area, Village Mira,
Mira Road – 401107, Dist. Thane.**

**Sd/-
Rachana Sawant
Company Secretary**

Director's Report

To,
The Members,
PERMANENT MAGNETS LIMITED

The Board of Directors is pleased to present the 65th Annual Report of the Company, outlining its operational and business performance, along with the summary of standalone and consolidated financial statements for the financial year ended March 31, 2026.

FINANCIAL HIGHLIGHTS:

The Company's Financial Performance for the Financial Year ended March 31, 2026 is summarized below

₹ In Crores

Particulars	Standalone		Consolidated	
	31.03.2026	31.03.2025	31.03.2026	31.03.2025
Revenue from operations	225.46	199.54	226.24	205.05
Other Income	6.20	4.54	6.07	4.16
Total Income	231.65	204.08	232.30	209.21
PBIDT & Extra Ordinary Items	45.19	31.76	42.76	34.60
Interest	3.12	2.17	4.10	2.40
Depreciation	12.63	9.33	14.52	11.43
Profit before Extra Ordinary Items & tax	29.45	20.26	24.14	20.77
Exceptional Items	1.74	-	1.75	-
Profit before Tax	27.70	20.26	22.39	20.77
Current Tax	8.48	5.70	8.48	5.71
Deferred Tax	(1.17)	(0.60)	(0.86)	(0.68)
Profit/(Loss) for the year	20.39	15.17	14.77	15.75
Other Comprehensive Income	0.30	(0.01)	0.30	(0.01)
Total Comprehensive Income for the period	20.69	15.16	15.07	15.74

1. COMPANY'S PERFORMANCE:

The Highlights of the Company's performance (Standalone) for the year ended March 31, 2026 are as under:

- During the year under review, the Company achieved a turnover of ₹225.46 Crores, which is broadly in line with the turnover of ₹199.54 Crores recorded in the previous year.
- The Profit after Tax (PAT) for the financial year 2025-26 is ₹20.69 Crores against ₹15.16 Crores in the year 2024-25.

The Highlights of the Company's performance (Consolidated) for the year ended March 31, 2026 are as under:

- During the year under review, the Company achieved a turnover of ₹226.24 Crores as compared to ₹205.05 Crores in the previous financial year 2024-25, registering a modest growth in revenue.
- The Profit after Tax (PAT) for the financial year 2025-26 is ₹15.07 Crores against ₹15.74 Crores in the year 2024-25.

2. DIVIDEND:

Your Directors have recommended a final dividend of ₹2.20/- (Rupees two and twenty paise only) per equity share of face value ₹10 (Rupees Ten only), representing 22% for the financial year ended March 31, 2026. The proposed dividend is subject to the approval of the members at the forthcoming Annual General Meeting and will be paid to those shareholders whose names appear in the Register of Members as on the record date.

Pursuant to the amendments introduced by the Finance Act, 2020, under the Income-tax Act, 1961, dividends paid or distributed by the Company are now taxable in the hands of the shareholders. Accordingly, the Company will deduct tax at source before making the payment of the final dividend.

3. CHANGE IN THE NATURE OF THE BUSINESS:

There were no changes in the nature of business during the year under review as prescribed in Rule 8 of the Companies (Accounts) Rules, 2014.

4. TRANSFER TO RESERVE:

The Board of Directors of the Company has not recommended transfer of any amount to the General Reserve for the Financial Year ended March 31, 2026.

5. DEPOSITS:

During the year the Company has not accepted deposits from the public falling within the ambit of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

6. LISTING:

The shares of the Company are listed on "BSE Limited" at Mumbai. The Company has paid the applicable listing fees to the Stock Exchange till date.

7. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

As on March 31, 2026, the Company has 6 directors with combination of executive & non-executive directors including one women director.

a. Retirement by Rotation and subsequent Re-appointment:

Sunaina Taparia (DIN: 07139610), Non-Executive Director being the longest of the office among the directors liable to retire by rotation, retires from the Board this year and being eligible, has offered herself for re-appointment. The Boards of Directors recommends her re-appointment at Item No. 3 of the Notice Calling 65th Annual General Meeting for consideration of the Shareholders.

b. Key Managerial Personnel:

The Key Managerial Personnel of the Company as on March 31, 2026 are:

Sr. No.	Name of Key Managerial personnel	Designation
1.	Sharad Taparia	Managing Director
2.	Sukhmal Jain	Chief Financial Officer
3.	Rachana Sawant	Company Secretary

8. DIRECTORS RESPONSIBILITY STATEMENT:

Accordingly, pursuant to Section 134(3)(c) and 134(5) of the Act, the Board of Directors, to the best of their knowledge and ability, confirm:

- That in the preparation of the annual financial statements for the year ended March 31, 2026, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- That such accounting policies as mentioned in Notes to the Financial Statements have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2026 and of the profit of the Company for the year ended on that date;
- That proper and sufficient care has been taken 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;

- That annual financial statements have been prepared on a going concern basis;
- That proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;
- That systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

9. CORPORATE GOVERNANCE

In terms of Regulation 34 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. A separate section on corporate governance along with a certificate from the auditors confirming compliance is annexed and forms part of the Annual Report.

10. AUDITORS:

Statutory Auditors

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Rules made there under, M/s. Jayesh Sanghrajka & Co. LLP Chartered Accountants (Firm Registration No. 104184W/W100075) was appointed as Statutory Auditor of the Company in the 61st Annual General Meeting till the conclusion of the 66th Annual General Meeting of the Company. M/s. Jayesh Sanghrajka & Co. LLP Chartered Accountants (Firm Registration No. 104184W/W100075) have confirmed their eligibility and qualification required under Section 139, 141 and other applicable provisions of the Companies Act, 2013 and Rules issued thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force).

M/s. Jayesh Sanghrajka & Co. LLP and have confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India as required under the Listing Regulations.

Auditors' Report

The Auditor's Report for the year ended March 31, 2026 on the financial statements of the Company is a part of this Annual Report. The notes on Financial Statements referred in the Annual Report are self-explanatory and do not call for any further comments. The Auditor's Report for the financial year 2025-26 does not contain any qualification, reservation or adverse remark.

Secretarial Audit

M/s. Dash Dwivedi & Associates LLP, Practising Company Secretaries, were appointed as the Secretarial Auditors of the Company for a term of five consecutive years commencing from the financial year 2025-26, in accordance with the provisions of Section 204 of the Companies Act, 2013, as amended. They have conducted the Secretarial Audit of the Company for the financial year ended March 31, 2026. The Secretarial Audit Report for the financial year ended March 31, 2026, issued pursuant to the Companies Act, 2013 read with the rules made thereunder and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is annexed to this Report as **Annexure A**.

The observations made in the Secretarial Audit Report are self-explanatory

Internal Auditors

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and The Companies (Accounts) Rules, 2014, during the year under review the Internal Audit of the functions and activities of the Company was undertaken by the Internal Auditors of the Company on quarterly basis by G. S. Nayak & Co., Chartered Accountants the Internal Auditors of the Company. There were no adverse remarks or qualification on accounts of the Company from the Internal Auditors.

Internal Audit report is reviewed by the audit committee from time to time.

The Board of Directors, at its meeting held on February 9, 2026, based on the recommendation of the Audit Committee, has approved the appointment of InCorp Advisory Services Private Limited as the Internal Auditor of the Company for the financial year 2026–27, in place of M/s. G. S. Nayak & Co., Chartered Accountants, who will complete the internal audit for FY 2025–26.

11. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:

The Company has one wholly owned subsidiary and does not have any Associate or Joint Venture companies within the meaning of Section 2(6) of the Companies Act, 2013 ("the Act").

Subsidiary Company – Quantum Magnetics Private Limited (Incorporated on May 31, 2023).

The Consolidated Financial Statements of the Company and its subsidiary, forming part of this Annual Report, have been prepared in accordance with Section 129(3) of the Companies Act, 2013. A statement containing the salient features of the financial statements of the subsidiary, in the prescribed format AOC-1, is annexed to this Report as "**Annexure B**". This statement also highlights the performance and financial position of the subsidiary.

In accordance with the provisions of Section 136 of the Companies Act, 2013 and the amendments thereto, read with the SEBI Listing Regulations the audited Financial Statements, including the consolidated financial statements and related information of the Company and financial statements of the subsidiary Company are available on the website of the Company at www.pmlindia.com.

12. EXPLANATION ON AUDITOR'S COMMENT:

The Board have to state as under with reference to the Auditor's certain remarks as contained in the annexure to the Auditor's Report:

With reference to para IX of the **Annexure A** to the Auditor's Report, the Central Excise Loan interest has remained unpaid as the matter is pending for the cause of implementing agency claiming compound interest on an interest free excise loan under a scheme of incentives. Matter with relevant agencies and Government of India is being taken up and will be sorted out in due course of time. No material liability is expected in this regard.

13. MANAGEMENT DISCUSSION AND ANALYSIS:

A detailed review of operations, performance and future outlook of your Company and its businesses is given in the Management Discussion and Analysis, which forms part of this Report as stipulated under Regulation 34(2)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

14. PARTICULARS OF EMPLOYEES:

The information required pursuant to Section 137 (12) read with Rule 5 (1) & (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, in respect of employees of the Company is herewith annexed as "**Annexure C**".

15. SIGNIFICANT AND MATERIAL ORDER PASSED BY THE REGULATORS OR COURTS:

Hon'ble Bombay High Court has given interim stay order against the winding up order passed (against the Company) dated April 15, 2015. This was a lawsuit filed by M/s. Savino Del Bene Freight Forwarders (India) Private Limited. Company has deposited ₹0.19 Cr including interest as per direction of Hon'ble Bombay High Court. The Appeal shall be added to the appropriate board for hearing. But the same is not yet listed on the Board of High Court.

16. RELATED PARTY TRANSACTIONS:

Related party transactions entered during the financial year under review are disclosed in Note No. 8 of Notes to Accounts of the Company for the financial year ended March 31, 2026.

All related party transactions entered into by the Company, were approved by the Audit Committee and were at arm's length and in the ordinary course of business. There were no material significant related party transactions with the Company's Promoters, Directors, Management or their relatives, which could have had a potential conflict with the interests of the Company.

The information on transactions with related parties pursuant to Section 134(3) (h) of the Act read with Rule 8(2) of the Companies(Accounts) Rules, 2014 are given in "**Annexure D**" in Form AOC-2 which is part of this report.

In line with the requirements of the Companies Act,2013 and the SEBI Listing Regulations, the Company has formulated a Policy on Related Party Transactions. The Policy can be accessed on the Company's website at www.pmlindia.com.

17. CORPORATE SOCIAL RESPONSIBILITY:

As part of the Corporate Social Responsibility initiative the Company has spent an amount of ₹0.61 Cr towards the various CSR activities during the financial year 2025-26. A report on CSR Activities as required under Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014 is enclosed herewith as "**Annexure E**".

The Company has adopted Corporate Social Responsibility Policy in line with Schedule-VII of Companies Act 2013. The CSR Policy is disclosed on the website of the Company. www.pmlindia.com.

18. VIGIL MECHANISM/WHISTLE BLOWER POLICY:

The Company has a robust vigil mechanism through its Whistle Blower Policy approved and adopted by the Board of Directors of the Company in compliance with the provisions of Section 177(9) of the Act and Regulation 22 of the Listing Regulations. Your Company's Whistle blower Policy encourages Directors and employees to bring to your Company's attention, instances of illegal or unethical conduct, actual or suspected incidents of fraud, actions that affect the financial integrity of your Company, or actual or suspected instances of leak of unpublished price sensitive information that could adversely impact your Company's operations, business performance and/or reputation.

The Policy requires your Company to investigate such incidents, when reported, in an impartial manner and take appropriate action to ensure that the requisite standards of professional and ethical conduct are always upheld.

The Whistle Blower Policy has been uploaded on the website of the Company under investors tab at www.pmlindia.com.

19. CONSERVATION OF ENERGY, TECHNOLOGY DEVELOPMENT AND ABSORPTION:

The Conservation of Energy, R & D activity in the Company is mainly carried out by the key line manufacturing and technical personnel in alliance with the key technical sales personnel and outsourced consultants.

"Annexure F" attached hereto which provides the information required to be disclosed on the efforts made on Conservation of Energy, Technology Development and Absorption as per Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014.

20. FOREIGN EXCHANGE EARNING AND OUTGO:

Please refer to paragraph No. 14 of Notes to accounts for the foreign exchange outgo and earnings of the Company which is required to be disclosed under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014.

21. PARTICULARS OF LOANS GIVEN, GUARANTEES AND INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED:

The particulars of loans, guarantees and investments as per Section 186 of the Act by the Company, have been disclosed in the financial statements.

22. DECLARATION FROM INDEPENDENT DIRECTORS:

The Company has inter alia, received the following declarations from all the Independent Directors confirming that:

1. They meet the criteria of independence as prescribed under the provisions of the Act, read with the

Schedule and Rules issued thereunder, and the Listing Regulations. There has been no change in the circumstances affecting their status as Independent Directors of the Company;

2. They have complied with the Code for Independent Directors prescribed under Schedule IV to the Act; and
3. They have registered themselves with the Independent Director's Database maintained by the Indian Institute of Corporate Affairs.

None of the Directors of the Company are disqualified for being appointed as Directors as specified in Section 164(2) of the Act and Rule 14(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014.

23. BOARD MEETINGS:

During the year under review Five Board Meetings were convened and held on May 23, 2025, August 06, 2025, August 28, 2025, November 12, 2025, and February 09, 2026.

24. COMMITTEE MEETINGS:

The Board has the following Committees:-

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders Relationship Committee
4. Corporate Social Responsibility Committee

A detailed disclosure on the Board, its committees, its composition and brief terms of reference, number of board and committee meetings held, and attendance of the directors at each meeting is provided in the Report on Corporate Governance which forms part of the Annual Report.

25. ANTI SEXUAL HARASSMENT POLICY:

In compliance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH Act") and the Rules framed thereunder, the Company has adopted a strict policy of zero tolerance towards any form of sexual harassment at the workplace. This policy applies to all employees, including permanent, contractual, temporary, and trainees.

The Company has complied with the provisions relating to the constitution of the Internal Complaints Committee as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the financial year under review, no complaints pertaining to sexual harassment were received.

The Company also complies with the provisions of the Maternity Benefit Act, 1961, as amended from time to time, and extends maternity benefits to eligible women employees in accordance with the applicable provisions of the Act.

26. ANNUAL RETURN:

The Annual Return of the Company as on March 31, 2026 in Form MGT - 7 is in accordance with Section 92(3) of the Act read with the Companies (Management and Administration)

Rules, 2014, and is available on the website of the Company in investor tab at www.pmlindia.com.

27. ADEQUACY OF INTERNAL FINANCIAL CONTROLS:

The Company has instituted a robust Internal Financial Control (IFC) framework over financial reporting, aimed at ensuring that all transactions are properly authorized, accurately recorded, and reported in a timely manner. These controls offer reasonable assurance regarding the integrity and reliability of the Company's financial statements.

The responsibility for compliance with applicable laws, regulations, and internal policies lies with the respective functional heads. The adoption of system-driven reporting and increased automation across various aspects of financial reporting has significantly improved both accuracy and operational efficiency.

The Company actively monitors updates to Accounting Standards and the Companies Act, and promptly aligns its systems, processes, and controls to maintain full regulatory compliance.

All policy changes and their potential impact on the financial statements are carefully assessed in consultation with the statutory auditors and the Audit Committee, and are appropriately disclosed in the financial reports.

28. SHARE CAPITAL:

The paid-up equity share capital of the Company as on March 31, 2026, stood at ₹8.60 Crores. There was no change in the share capital of the Company during the year under review. The authorized share capital of the Company currently stands at ₹26 Crores.

29. BOARD EVALUATION:

In terms of the provisions of Section 134(3)(p) of the Companies Act, 2013 and Regulation 17(10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an annual performance evaluation of its own performance, individual Directors as well as the evaluation of the working of its Board Committees. Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Directors being evaluated. The manner

in which the evaluation has been carried out has been explained in the Corporate Governance Report.

30. INVESTOR EDUCATION AND PROTECTION FUND (IEPF):

Pursuant to Section 124 and Section 125 of the Companies Act, 2013 read with the IEPF Authority (Accounting, Audit, transfer and Refund) Rules, 2016 ('the Rule'), all the unpaid and unclaimed dividends are required to be transferred by the Company to the IEPF established by the Government of India, after the completion of Seven Years. Further according to the Rules, the shares on which dividend has not been paid or claimed by the Shareholder for seven consecutive years or more shall also be transferred to demat account of the IEPF Authority.

Company has not completed seven years since its last dividend declaration or payment, it means that the threshold for transferring funds to the IEPF has not been met. In such cases, the Company would not be eligible to transfer funds to the IEPF until it fulfills this requirement.

31. REPORTING OF FRAUDS:

During the year under review, neither the Statutory Auditor nor the Secretarial Auditor has reported to the Audit Committee under Section 143(12) of the Companies Act, 2013, any instances of the fraud committed by the Company, its officers and employees, the details of which would need to be mentioned in the Board Report.

32. RISK MANAGEMENT:

The Board periodically reviews the business risks affecting the Company and takes appropriate measures to mitigate such risks. In the opinion of the Board, there are no risks which may threaten the existence of the Company.

33. APPRECIATION:

The Board of Directors places on record its deep appreciation for the outstanding personal efforts and collective contribution of all employees towards the Company's performance during the year. The Board also expresses its sincere gratitude for the continued support and cooperation extended by financial institutions, banks, government and regulatory authorities, stock exchanges, customers, and vendors throughout the year under review.

FOR AND ON BEHALF OF THE BOARD

Place: Thane
Date: May 13, 2026

Sd/-
Sharad Taparia
Managing Director
DIN: 00293739

Sd/-
Mukul Taparia
Director
DIN: 00318434

Corporate Office:
Plot No. B-3, MIDC Industrial Area, Village Mira,
Mira Road – 401107, Dist. Thane

Annexure A

FORM No. MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2026

[Pursuant to Section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members
Permanent Magnets Limited
Harsh Avenue, 302, 3rd floor,
Opp. Silvassa Police Station,
Silvassa Vapi Main Road,
Silvassa, DN - 396230.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Permanent Magnets 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 the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2026 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (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 there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) 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;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (Not Applicable to the Company during the audit period)
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (Not Applicable to the Company during the audit period)
 - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (Not Applicable to the Company during the audit period)
 - (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, 2021; (Not Applicable to the Company during the audit period); and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not Applicable to the Company during the audit period)
 - (i) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
- (vi) Other laws specifically applicable to the Company:
 - 1 The Factories Act, 1948
 - 2 The Employees' State Insurance Act, 1948
 - 3 The Employees' Provident Funds and Miscellaneous Provisions Act, 1952
 - 4 The Maternity Benefit Act, 1961
 - 5 The Child Labour (Prohibition & Regulation) Act, 1986
 - 6 The Workmen's Compensation Act, 1923
 - 7 The Environment (Protection) Act, 1986
 - 8 Contract Labour (Regulation & Abolition) Act, 1970

- 9 The Payment of Bonus Act, 1965
- 10 The Payment of Gratuity Act, 1972

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

- (i) Secretarial Standards (SS-1 and SS-2) issued by the Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with the BSE Limited read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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 an appropriate balance of Executive Directors, Non-Executive Directors, and Independent Directors. During the period under review Shri. Sharad Taparia (DIN: 00293739) was re-appointed as the Managing Director of the Company w.e.f April 01, 2026.

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 decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. However, attention is drawn to note no. 2 of Notes to Accounts i.e. Contingent Liabilities.

We further report that during the audit period there was no specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above except;

The Hon'ble Bombay High Court has passed a winding up order dated 15.04.2015 for winding up of the Company on petition filed by M/s. Savino Del Bene Freight Forwarders (India) Private Limited and the Hon'ble Court had issued direction for appointment of an official liquidator in the winding up order. On the appeal against this order made by the Company before the Hon'ble Bombay High Court, the Hon'ble Court has given interim stay order against the winding up order passed (against the Company) dated 15.04.2015. The Company has deposited ₹0.19 crores with interest as per direction of the Hon'ble Court. Matter is pending before the Hon'ble Court and next hearing in this matter shall come up as per listing of the court.

**For M/s Dash Dwivedi and Associates LLP
Company Secretaries**

**Place: Mumbai
Date: May 13, 2026**

**UDIN: F009765H000362832
Peer Review No.: 6628/2025**

**Sd/-
Arun Dash
(Designated partner)
M. No. FCS 9765
C.P. No. 9309**

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

'ANNEXURE A'

To,
The Members

Permanent Magnets Limited

Harsh Avenue, 302, 3rd floor,
Opp. Silvassa Police Station,
Silvassa Vapi Main Road, Silvassa, DN - 396230.

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

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

**For M/s Dash Dwivedi and Associates LLP
Company Secretaries**

**Place: Mumbai
Date: May 13, 2026**

**Sd/-
Arun Dash
(Designated Partner)
M. No. FCS 9765
C.P. No. 9309**

**UDIN: F009765H000362832
Peer Review No.: 6628/2025**

Annexure B

Form AOC- 1

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

Statement containing salient features of the financial statement of subsidiaries or associate companies or Joint ventures

PART A SUBSIDIARIES

Sr. No.	Particulars	Details
1.	Name of the subsidiary	Quantum Magnetics Private Limited
2.	The date since when subsidiary was acquired	May 31, 2023
3.	Reporting period for the subsidiary concerned, if different from the holding Company's reporting period.	April to March
4.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	N.A.
5.	Share capital	₹5,00,000/-
6.	Reserves and surplus	(7.58/-)
7.	Total assets	46.58/-
8.	Total Liabilities	54.12/-
9.	Investments	-
10.	Turnover	1.23/-
11.	Profit before taxation	(5.31/-)
12.	Provision for taxation	0.30/-
13.	Profit after taxation	(5.62/-)
14.	Proposed Dividend	N.A.
15.	Extent of shareholding (in percentage)	100%

1. Names of subsidiaries which are yet to commence operations: **N.A**

2. Names of subsidiaries which have been liquidated or sold during the year: **N.A.**

PART B ASSOCIATES AND JOINT VENTURES

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

Not Applicable

Name of Associates or Joint Ventures		
1.	Latest audited Balance Sheet Date	-
2.	Date on which the Associate or Joint Venture was associated or acquired	-
3.	Shares of Associate or Joint Ventures held by the Company on the year end No. Amount of Investment in Associates or Joint Venture Extent of Holding (in percentage)	-
4.	Description of how there is significant influence	-

PART B ASSOCIATES AND JOINT VENTURES (Contd.)

Name of Associates or Joint Ventures	
5. Reason why the associate/Joint venture is not consolidated.	-
6. Net worth attributable to shareholding as per latest audited Balance Sheet	-
7. Profit or Loss for the year	
i. Considered in Consolidation	-
ii. Not Considered in Consolidation	-
1. Names of associates or joint ventures which are yet to commence operations: N.A.	
2. Names of associates or joint ventures which have been liquidated or sold during the year: N.A.	

FOR AND ON BEHALF OF THE BOARD

Sd/-
Sharad Taparia
Managing Director
DIN: 00293739

Place: Thane
Date: May 13, 2026

Annexure C

RATIO OF DIRECTOR REMUNERATION TO EMPLOYEE MEDIAN REMUNERATION

The ratio of the remuneration of each director to the median employee's remuneration and other details in terms of sub-section 12 of Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Sr. No.	Particulars	Disclosure
1.	The ratio of the remuneration of each director to the median remuneration of the employees for	Sharad Taparia – 34.01x
2.	The percentage increase in remuneration of each Director, CFO, CEO, CS in the financial year	Sharad Taparia (MD) – 28.01% Sukhmal Jain (CFO) – 8.11% Rachana Sawant (CS) – 11.37%
3.	The percentage increase in the median Median remuneration of employees in the financial year	Median Increase – 18.01%
4.	The number of permanent employees on the rolls of the Company	166 as on March 31, 2026
5.	Average percentile increase already made in the salaries of employees other than managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	The average annual increase in remuneration of employees other than Key Managerial Personnel was 13.69%.The average annual increase in the remuneration of Key Managerial Personnel was 15.83%. The increments given to employees are based on their potential, performance, and contribution, which are benchmarked against applicable Industry norms.
6.	Affirmation that the remuneration is as per the remuneration policy of the Company	It is affirmed that the remuneration paid is as per the Remuneration Policy.

DETAILS OF TOP 10 EMPLOYEES

Sr No	Employee Name	Age	Designations	Nature of employment	Date of commencement of employment	Relation with Director/ Manager	% of Shareholding
1	Sharad Taparia	53	Managing Director	Permanent	01-08-1999	Self	16.11%
2	Girish Mahajan	62	Vice President	Contractual	01-01-2011	No	-
3	Prabhakar Kamath	64	President - Operations	Contractual	01-10-2003	No	-
4	Sukhmal Jain	64	Senior Vice President - Finance, CFO	Contractual	03-09-1988	No	-
5	Hemant Kore	51	Sr. General Manager	Permanent	01-10-1995	No	-
6	Allen D'cunha	46	Deputy General Manager	Permanent	01-01-2007	No	-
7	Ajit Vanjare	42	Sr. Manager-Business Development	Permanent	15-01-2010	No	-
8	Manish Kale	40	Sr. Manager-Business Development	Permanent	06-05-2021	No	-
9	Raghav Garg	36	Sr. Manager -Business Development	Permanent	01-08-2016	No	-
10	Sunil Verma	51	Sr. Manager-Operations	Permanent	11-06-2007	No	-

Annexure D

RELATED PARTY TRANSACTIONS

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts or 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 transactions under third proviso thereto:

1. Details of contracts or arrangements or transactions not at arm's length basis: Permanent Magnets Limited ("the Company") has not entered into any contract, arrangement or transaction with its related parties that was not in the ordinary course of business or at arm's length during the financial year 2025-26.

The Company has laid down appropriate policies, processes and procedures to ensure compliance with the provisions of Section 188 of the Companies Act, 2013 and the Rules made thereunder. All Related Party Transactions are subject to internal controls and review processes and are placed before the Audit Committee on a quarterly basis for its review.

- (a) Name(s) of the related party and nature of relationship: **Not Applicable**
- (b) Nature of contracts/arrangements/transactions: **Not Applicable**
- (c) Duration of the contracts/arrangements/transactions: **Not Applicable**
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: **Not Applicable**
- (e) Justification for entering into such contracts or arrangements or transactions: **Not Applicable**
- (f) Date(s) of approval by the Board: **Not Applicable**
- (g) Amount paid as advances, if any: **Not Applicable**
- (h) Date on which the special resolution was passed in general meeting as required under first proviso to Section 188: **Not Applicable**

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

- (a) Name(s) of the related party and nature of relationship: **Not Applicable**
- (b) Nature of contracts/arrangements/transactions: **Not Applicable**
- (c) Duration of the contracts/arrangements/transactions: **Not Applicable**
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: **Not Applicable**
- (e) Date(s) of approval by the Board, if any: **Not Applicable**
- (f) Amount paid as advances, if any: **Nil**

FOR AND ON BEHALF OF THE BOARD

Sd/-
Sharad Taparia
Managing Director
DIN: 00293739

Place: Thane
Date: May 13, 2026

Annexure E

REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

[Pursuant to Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021]

1. Brief outline on CSR Policy of the Company:

The Company is committed to conducting its business in a manner that promotes the overall development and well-being of all stakeholders and society at large. Its Corporate Social Responsibility (CSR) initiatives are focused on fostering inclusive and sustainable community development, particularly in and around the areas where the Company operates, through a range of structured interventions in the following areas:

1. Education
2. Rural Development
3. Health Care

2. Composition of CSR Committee:

Sr. No.	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Nirmal Kumar Jain	Chairman (Independent Non-Executive Director)	1	1
2.	Sharad Taparia	Managing Director	1	1
3.	Mukul Taparia	Non-Executive Director	1	1
3.	The web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company			www.pmlindia.com
4.	The executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable:			Not Applicable
				(₹In Crores)
5.	(a)	Average net profit of the Company as per Section 135(5)		₹30.37/-
	(b)	Two percent of average net profit of the Company as per Section 135(5)		₹0.61
	(c)	Surplus arising out of the CSR projects or programmes or activities of the previous		
	(d)	Amount required to be set off for the financial year		
	(e) Total CSR obligation for the financial year (b+c-d)			₹0.61/-

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹0.61 Crores

(b) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities inscheduleVII to the Act.	Local area(Yes/ No).	Location of the project.		Amount spent for the project (₹InCrores).	Mode of implementation-Direct (Yes/No).	Mode of implementation-Through implementing agency	
				State.	District.			Name.	CSR Registration number.
1	For Vipassana Centre	Schedule VII (ii) - Promoting Education	No	Bihar	Gaya	0.33	No	Bodhgaya International Vipassana Meditation Centre.	CSR00012274
2	For Promoting Education	Schedule VII (ii)-Promoting Education	No	Kerala	Tripunithura	0.05	No	Vijnanbharathi Educational and Charitable Society	CSR00007084
3	For promoting health care	Schedule VII (i) - promoting health care	No	Rajasthan	Didwana-Kuchaman, Jaswantgarh	0.05	No	Jagannath Taparia Memorial Trust	CSR00026108

(c) Amount spent in Administrative Overheads: **NA**

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

(e) Total amount spent for the Financial Year (a+b+c): **₹0.61 Crores**

(f) CSR amount spent or unspent for the financial Year 2025-2026:

(g) Excess amount for set off, if any

7. Details of Unspent CSR amount for the preceding three financial years:

Not Applicable

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under sub-section (6) of Section 135 (in ₹)	Balance Amount in Unspent CSR Account under sub-section (6) of Section 135 (in ₹)	Amount Spent in the Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per Section 135(6), if any. Amount (in ₹)	Date of transfer.	Amount remaining to be spent in succeeding Financial years. (in ₹)	Deficiency, If any
				Nil				

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

No

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

1	2	3	4	5	6		
Sr. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the Property or asset(s)	Date of creation	Amount of CSR Amount spent	Details of entity/Authority/beneficiary of the		
					CSR Registration Number, if applicable	Name	Registered address
Nil							

9. 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

For and on behalf of
Corporate Social Responsibility Committee

Sd/-
Nirmal Kumar Jain
Chairman CSR Committee
DIN: 00019442

Sd/-
Sharad Taparia
Managing Director
DIN: 00293739

Annexure F

DISCLOSURE OF PARTICULARS WITH RESPECT TO TECHNOLOGY ABSORPTION

Research and development (R & D):

1. Specific areas in which R & D carried out by the company

- I. Alloy Developments for Government Organization
- II. Magnetic Field annealing
- III. Development of Alnico 8 & 9 Magnets & equipment
- IV. DC immunity testing of magnetic cores
- V. GFCI assemblies
- VI. Sensor Calibration Set up
- VII. Relay prototype and testing
- VIII. Vacuum Induction Melting Technology

2. Benefits derived as a result of above R & D.

- I. Enhanced the ability to consistently deliver high-quality products to customers.
- II. Led to the adoption and integration of advanced technologies.
- III. Achieved significant cost efficiencies and savings.
- IV. Enabled the development of new capabilities, expanding the scope of business operations.
- V. Facilitated the creation of new product lines to meet evolving market needs.
- VI. Development of common mode choke for electronic

3. Future plan of action.

- I. Development of new products tailored for smart meter applications.
- II. Exploration and substitution of lower-cost alloys for magnetic core applications.
- III. Development of value-added products in current sensing technology, including IoT-enabled solutions.
- IV. Enhancement of in-house design capabilities for current sensing and electromagnetic shielding solutions.
- V. Expansion into electronic component assemblies, such as shunt assemblies with terminals and cables, and customized relay assemblies
- VI. Introduction of new components using specialized materials, including copper alloys, iron-nickel alloys, iron-silicon alloys, iron-cobalt alloys, and bimetals.
- VII. Development of critical components catering to the Defence and Aerospace sectors.
- VIII. Engineering Zamak-based parts as a cost-effective alternative to current brass components.

- IX. Design and development of sub-components for electric vehicle (EV) motors

- X. Introduction of high-value components using advanced materials, such as cobalt-iron laminations and precision parts.

4. Expenditure on R & D (₹In Crores)

- | | | |
|---------------|---|-------|
| I. Capital | - | ₹0.44 |
| II. Recurring | - | ₹1.02 |
| III. Total | - | ₹1.46 |

Total R & D expenditure as a percentage of total turnover is 0.65%.

Technology Absorption, Adaptation, and Innovation

- I. Efforts Made Towards Technology Absorption, Adaptation, and Innovation:

Developed testing protocols, heat treatment methods, and processing techniques for soft magnetic materials, including iron-silicon alloys, iron-cobalt alloys, and nano/amorphous iron-based ribbon components.

- II. Benefits Derived from the Above Efforts:

Achieved significant improvements in manufacturing processes, resulting in enhanced efficiency and cost optimization.

Enabled product innovation and development.

Progress is underway in establishing a new product line, contributing to the Company's strategic growth.

Conservation of energy:

- I. Steps Taken and Impact on Conservation of Energy:

Efficient utilization of electrical energy has been implemented across the plant, contributing to overall energy optimization and reduced operational costs

- II. Steps Taken for Utilizing Alternate Sources of Energy:

Feasibility of adopting alternative energy sources such as solar power has been explored.

Pilot burners in Dry Hydrogen Heat Treatment furnaces have been replaced with electric pilots, resulting in reduced LPG consumption and improved heat distribution within the furnace area.

The Company recognizes that the best return on investment for solar power is achieved when installed at owned premises and therefore plans to implement solar power at a new location in the near future.

- III. Capital Investment on Energy Conservation Equipment:

No capital investment has been made during the year specifically for energy conservation equipment.

Corporate Governance Report

1. INTRODUCTION:

This Report outlines the Company's compliance with the principles of Corporate Governance, as prescribed by the Securities and Exchange Board of India under Regulation 34 read with Chapter IV and Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). It provides an overview of the Corporate Governance framework, systems, and processes followed by Permanent Magnets Limited (PML).

2. COMPANY'S PHILOSOPHY ON THE CODE OF CORPORATE GOVERNANCE:

PML's Corporate Governance philosophy is anchored in the principles of fairness, accountability, transparency, and full disclosure. These core values are deeply embedded in the Company's business practices and culture, guiding its operations and strategic direction. The Company's strong governance framework has been instrumental in driving sustainable growth while meeting stakeholder expectations and fulfilling its responsibilities towards society.

PML remains firmly committed to maintaining the highest standards of Corporate Governance across all its policies, procedures, and practices. Its governance mechanisms are periodically reviewed and strengthened to ensure ethical conduct and responsible decision-making at every level of the organization.

Through comprehensive disclosures, well-defined accountability structures, adherence to best practices, and a strong commitment to compliance—both in letter and spirit—the Company continues to enhance shareholder value and reinforce stakeholder confidence. These principles are not merely regulatory obligations but form an integral part of PML's operational philosophy.

Recognizing that Corporate Governance is a dynamic and evolving discipline, PML reaffirms its continuous commitment to achieving excellence in governance in the best interests of all its stakeholders.

3. COMPOSITION OF BOARD:

The composition of the Board of Directors is in compliance with Regulation 17(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as on March 31, 2026. The Board

comprises an appropriate balance of professionalism, expertise, and experience, enabling it to effectively discharge its responsibilities and provide strong leadership to the Company's business.

Board Procedures and flow of information to the Board:

The Board of Directors meets at regular intervals to deliberate on key matters relating to business strategy, Company policies, and other significant issues. In line with regulatory requirements, the Company holds a minimum of four Board Meetings each year—one in every quarter—to review financial results and consider other agenda items. In cases requiring urgent decisions, resolutions are passed by circulation in accordance with applicable laws and are subsequently noted at the next Board Meeting.

Notices, along with detailed agendas and relevant background materials, are circulated well in advance to all Directors to enable informed and effective deliberations. Directors actively participate in the meetings, primarily through audio-visual means, ensuring meaningful engagement and contribution.

The Board promotes open and constructive discussions, allowing members to freely express their views on any matter with the consent of the Chairperson. In addition to the Board Members and the Company Secretary, the Chief Financial Officer attends Board and Committee Meetings and contributes to the decision-making process.

As part of its digital initiatives and in support of the Government's Go-Green initiative, the Company circulates Board and Committee documents through a secure electronic platform, ensuring confidentiality and operational efficiency.

All material information, including those specified under Part A of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, is provided to the Directors in advance. The management continues to enhance the quality and scope of information shared with the Board to ensure that Directors remain well-informed on key developments and strategic matters of the Company.

As on March 31, 2026, the Board comprised six Directors.

Meetings held during the year:

The Board of Directors of the Company met Five times during the year on May 23, 2025, August 06, 2025, August 28, 2025, November 12, 2025 and February 09, 2026.

Name of the Director	Category	No. of Board		Attendance at last AGM	Particulars of Directorship, Committee membership/ Chairmanship in other companies including Private Companies*			Names of the listed entities
		Held	Attended		As Director	As Chairman	As Member	
Sharad Taparia	Managing Director, Promoter	5	5	Yes	1	-	-	-
Nirmal Kumar Jain	Independent and Non Executive Director, Chairman	5	5	Yes	3	2	2	JSW Holdings Limited- Independent Director
Kamal Binani	Independent and Non Executive Director	5	5	Yes	2	-	-	-
Mukul Taparia	Non Executive Director, Promoter	5	5	Yes	3	-	-	-
Sunaina Taparia	Non Executive Director, Promoter	5	4	Yes	-	-	-	-
Girish Desai	Non Executive Director	5	4	Yes	-	-	-	-

During the year, one meeting of the Independent Directors was held on February 09, 2026. The Independent Directors, inter-alia, reviewed the performance of non-independent directors and the Board as a whole

* Only two Committees, namely Audit Committee and Stakeholders Relationship Committee have been considered.

Relationship between Directors:

Out of 6 Directors 3 Directors are related Directors viz: Sharad Taparia, Managing Director, Mukul Taparia, Non Executive Director and Sunaina Taparia, Non Executive Director. None of the other Directors are related interse.

Equity shareholding of the Non-Executive directors in the Company as on March 31, 2026:

Sr. No.	Name of the Non-Executive Director	No. of Shares
1.	Nirmal Kumar Jain	Nil
2.	Kamal Binani	Nil
3.	Mukul Taparia	14,00,582
4.	Sunaina Taparia	76,800
5.	Girish Desai *	3,050

*includes shares held jointly with his relative.

4. INDEPENDENT DIRECTORS:

Separate Meetings of Independent Directors:

In accordance with the provisions of the Companies Act, 2013 and Regulation 25 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate meeting of the Independent Directors of the Company was held on February 9, 2026.

- i. Reviewing the performance of Non-Independent Directors and the Board as a whole;
- ii. Reviewing the performance of the Chairperson of the Company, taking into account the views of Executive and Non-Executive Directors;
- iii. Assessment of the quality, adequacy, and timeliness of the flow of information between the management and the Board, necessary for the Board to effectively discharge its duties.

The Independent Directors expressed satisfaction with the overall performance of the Board and individual Directors.

Selection and Appointment of Independent Directors:

The Nomination and Remuneration Committee (NRC) identifies, evaluates, and recommends individuals for appointment as Independent Directors, based on the skills and competencies required on the Board. The Committee considers eminent professionals with strong independent standing in their respective fields, who are capable of making meaningful contributions to the Company's business and policy decisions.

The NRC assesses potential candidates on the basis of their qualifications, positive attributes, domain expertise, and positions held in other companies—particularly their directorships and committee memberships—in line with the Company's Policy on Selection and Independence of Directors. Based on this evaluation, suitable candidates are recommended to the Board for consideration and appointment.

In compliance with Regulation 46(2)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, formal letters of appointment have been issued to all Independent Directors. The terms and conditions of their appointment are available on the Company's website at www.pmlindia.com.

Familiarisation Program of Independent Directors:

Upon induction, every new Director is provided with a comprehensive overview of the Company, its business operations, and key policies. This includes detailed briefings on important governance documents such as the Code of Conduct for Directors and Senior Management, the Code for Prevention of Insider Trading, the Policy on Related Party Transactions, the Remuneration Policy, the Policy on Material Events, the Whistle Blower Policy, the Policy on Prevention of Sexual Harassment, and the Corporate Social Responsibility Policy.

To ensure ongoing familiarization, the Statutory Auditors, Internal Auditors, and members of Senior Management periodically make presentations to the Board, particularly during the review and approval of financial results. These presentations cover key regulatory updates, financial performance, marketing and sales initiatives, human resource practices, business strategies, operational developments, and trends in the global business environment.

Directors are also provided with relevant documents, internal policies, reports, and corporate literature to help them stay well-informed about the Company's systems and practices. Details of the familiarization programme for Independent Directors are available on the Company's website at www.pmlindia.com.

Declarations by Independent Directors:

Independent Directors of the Company are Non-Executive Directors as defined under Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and Section 149(6) of the Companies Act, 2013, along with the applicable rules.

In accordance with Regulation 25(8) of the SEBI Listing Regulations, all Independent Directors have confirmed that there are no circumstances or situations that could impair or influence their ability to discharge their duties independently. Based on these declarations, the Board has affirmed that all Independent Directors meet the criteria of independence as prescribed under Regulation 16(1)(b) of the SEBI Listing Regulations and are independent of the Company's management.

Further, all Independent Directors have confirmed their registration in the databank of persons eligible to be appointed as Independent Directors, as maintained by the Indian Institute of Corporate Affairs (IICA).

At the first Board Meeting in which they participate as Directors and subsequently at the first meeting of the Board in every financial year, each Independent Director provides a declaration affirming their independence and disclosing their other directorships and committee memberships.

Based on periodic disclosures received, it has been confirmed that:

No Director holds directorship in more than 10 public limited companies as per Section 165 of the Companies Act, 2013.

No Director holds directorship in more than 7 listed entities or acts as an Independent Director in more than 7 listed companies.

In the case of Whole-time Directors or Managing Directors in listed companies, none holds Independent Directorships in more than 3 equity listed companies.

No Director serves as a member in more than 10 committees or as Chairperson in more than 5 committees across all Indian public limited companies, in line with the limits prescribed under Regulation 26 of the SEBI Listing Regulations.

Detailed reasons for the resignation of an independent director who resigns before the expiry of his tenure: Not Applicable

Confirmation that in the opinion of the board, the independent directors fulfill the conditions specified in these regulations and are independent of the management:

The Board of Directors be and hereby confirm that in the opinion of the Board, the Independent Directors fulfill the conditions specified by SEBI (LODR) Regulations, 2015 and they are independent of the management.

5. LIST OF CORE SKILLS/EXPERTISE/ AT COMPETENCIES IDENTIFIED BY THE BOARD OF DIRECTORS AS REQUIRED IN THE CONTEXT OF ITS BUSINESS(ES) AND SECTOR(S) FOR IT TO FUNCTION EFFECTIVELY AND THOSE ACTUALLY AVAILABLE WITH THE BOARD:

The Board of Directors has identified a set of core skills, expertise, and competencies that are essential in the context of the company's business operations. These attributes, which are well represented among the current board members, include:

i) Industry and Business Knowledge:

Strong understanding of the Company 's business model, policies, and culture, including its Mission, Vision, and Values, along with awareness of key risks, opportunities, and the industry landscape.

ii) Behavioral Competencies:

Possession of strong interpersonal and leadership qualities, along with the ability to apply knowledge and skills effectively to support the Company's growth and strategic direction.

iii) Governance and Stakeholder Management:

Experience in fostering sound governance practices, promoting transparency and accountability, and cultivating long-term, effective relationships with stakeholders while upholding strong corporate ethics and values.

iv) Financial and Managerial Expertise:

Proficiency in financial analysis, budgeting, and management, along with strategic planning and resource optimization capabilities.

v) Personal Attributes Aligned with Company Values:

High standards of integrity, commitment to accountability, and a strong performance-oriented mindset, consistent

6. CODE OF CONDUCT:

The Board of Directors laid down a Code of Conduct for all the board members and senior management of

the Company. The updated Code incorporates the duties of Independent Directors. This code has been posted on the web-site of the Company at www.pmlindia.com. All board members and senior management personnel have affirmed compliance with the code.

In accordance with the provisions of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board is required to monitor and review the Board Evaluation Framework. In line with the Company's Corporate Governance practices, an annual evaluation of the Board's performance was carried out.

7. PERFORMANCE EVALUATION:

The evaluation covered the performance of the Board as a whole, the Chairperson, individual Directors, the Chief Financial Officer, the Company Secretary, and the functioning of key Committees, including the Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, and Corporate Social Responsibility Committee.

The evaluation process was led by the Chairman of the Nomination and Remuneration Committee and focused on assessing the overall effectiveness of the Board. The criteria included parameters such as time commitment, core competencies, discharge of responsibilities, strategic perspective, and behavioural attributes of each Director.

The assessment was conducted through a structured questionnaire, encompassing qualitative parameters and a rating-based feedback mechanism. Upon review, the Directors expressed their satisfaction with the evaluation process and its outcome, acknowledging it as a valuable exercise in enhancing Board effectiveness and governance practices.

8. SECOND LAYER COMMITTEES OF BOARD OF DIRECTORS:

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas/activities as mandated by applicable regulations, which concern the Company and need a closer review. The composition and terms of reference of all the Committees are in compliance with the Companies Act, 2013 and the Listing Regulations, as applicable. During the year, all the recommendations made by the respective Committees were accepted by the Board. Minutes of the proceedings of Committee meetings are circulated to the respective Committee members and placed before the Board meetings for noting. All observations, recommendations and decisions of the Committees are placed before the Board for information or for approval. The Board Committees request special invitees to join the meeting, as and when appropriate.

The Company has Four Board-level Committees, namely:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders Relationship Committee
- Corporate Social Responsibility Committee

a) Audit Committee:

The Audit Committee's powers and terms of reference are in line with Regulation 18 of the Securities and Exchange Board of India (LODR) Regulations, 2015 and Section 177 of the Companies Act, 2013, along with additional responsibilities assigned by the Board. The Committee has full access to Company information and may seek external professional advice when required. It serves as a link between the Statutory Auditors, Internal Auditors, and the Board. It reviews, inter alia, financial statements, investments in unlisted subsidiaries, and the Management Discussion and Analysis of financial performance.

The brief terms of reference of the Audit Committee includes the following:

Committee is constituted in line with the provisions of Regulation 18 of SEBI Listing Regulations, read with Section 177 of the Act.

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing with the management, the annual financial statements and auditors' report thereon before submission to the board for approval.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
6. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process.
7. Approval or any subsequent modification of transactions of the Company with related parties
8. Scrutiny of inter-corporate loans and investments.
9. Valuation of undertakings or assets of the listed entity, wherever it is necessary.
10. Evaluation of internal financial controls and risk management systems.
11. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
12. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
13. Review the functioning of the whistle blower mechanism.
14. Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate.
15. Carrying out any other function as is mentioned in the terms of reference of the audit Committee.
16. Reviewing the utilization of loans and/or advances from/investment by the holding Company in the subsidiary.
17. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

Powers of Audit Committee:

The Audit Committee shall have powers, which should include the following:

- To investigate any activity within its terms of reference;
- To seek information from any employee;
- To obtain outside legal or other professional advice; and
- To secure attendance of outsiders with relevant expertise, if it considers necessary.

Audit Committee Composition:

The composition of the Audit Committee as on March 31, 2026 and particulars of meetings attended by the members are as follows:

Composition and Attendance of Members at the Meetings of the Audit Committee held during 2025-2026:

Members	Category	Meetings held during the tenure of the Directors	Meetings attended
Nirmal Kumar Jain	Chairman, Non-Executive, Independent Director	5	5
Sharad Taparia	Member, Executive Director	5	5
Kamal Binani	Member, Non-executive, Independent Director	5	5

The Chairman is a fellow member of the Institute of Chartered Accountants of India and the Institute of Company Secretaries of India. All the members of the committee are financially literate. Accordingly, the Composition of the Audit Committee is in conformity with Section 177 of the Companies Act, 2013 and Listing Regulations.

Five (5) Audit Committee Meetings were held during the year ended May 23, 2025, August 06, 2025, August 28, 2025, November 12, 2025 and February 09, 2026. The gap between any two meetings did not exceed one hundred and twenty days and necessary quorum was present at all meetings. Chief Financial Officer, Internal Auditor and Statutory Auditors are invited to attend and participate at the meetings of the Audit Committee. The Company Secretary acts as the Secretary of the Audit Committee.

All the recommendations of the Audit Committee have been accepted by the Board of Directors.

b) Nomination and Remuneration Committee:

The Nomination and Remuneration Committee of the Company is constituted in line with the provisions of Regulation 19 of SEBI (LODR) Regulations, 2015 read with Section 178 of the Companies Act, 2013. This Committee

has been vested with authority to inter alia recommend nominations for Board Membership, develop and recommend policies with respect to the composition of the Board Commensurate with the size, nature of the business and operations of the Company, establish criteria for selection to the Board with respect to the competencies, qualifications, experiences, track record and integrity and establish Director retirement policies and appropriate succession plans and determining overall remuneration policies of the Company. The principal scope/role also includes review of market practices and decide on remuneration packages applicable to Executive Directors, Senior Management Personnel, etc. and review the same.

The Nomination and Remuneration Committee will lay the foundation to the effective functioning of the Board.

The term of reference of the Committee inter alia, includes:

1. Identifying potential candidates who are qualified to become Directors and who may be appointed in senior management.
2. Determining the composition of the Board of Directors and the sub-Committees of the board.

Nomination And Remuneration Committee Composition:

The Composition of the said Committee and details of meetings attended by the Directors are given below:

Members	Category	Meetings held during the tenure of the Directors	Meetings attended
Kamal Binani	Chairman, Non-Executive, Independent Director	2	2
Nirmal Kumar Jain	Member, Non-Executive, Independent Director	2	2
Mukul Taparia	Member, Non-Executive Director	2	2

The Committee during the financial year 2025–26, met on May 23, 2025 and November 12, 2025

Criteria for determining qualifications, positive attributes and independence of a Director:

A. Appointment criteria and qualifications:

- The Nomination and Remuneration Committee (NRC) shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his/her appointment.
- A person should possess adequate qualification, expertise and experience for the position he/she is considered for appointment. The NRC has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient/satisfactory for the concerned position.
- The provisions of the Act and SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 should be adhered to while considering the appointment of a Director or KMP or senior management personnel.

B. Independence of Director (ID):

- Appointment of IDs shall be in accordance with the provisions of the Companies Act, 2013 (Act) as well as SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulation").
- NRC to check whether a person to be nominated or appointed as an ID meets the criterion of independence as prescribed under Sec. 149(6) of the Act and under Regulation 25 of the Listing Regulation.
- While nominating any person to be appointed as an ID, the Committee should satisfy itself that the person gives a declaration as prescribed under the Act declaring that he/she meets the criterion of independence prescribed under the Act and Listing Regulation.

Remuneration Of Directors:

In accordance with Section 178 of the Act, the Committee has framed a Nomination and Remuneration Policy which is available on the Company's website, www.pmlindia.com.

Further, in compliance with the provisions of Schedule V of the Companies Act, 2013, the following additional disclosures have been made.

Details of remuneration/sitting fees paid during the financial year 2025-26

							₹ In Crores
Sr. No.	Names	Category	Sitting Fees	Salary	Perquisites	Stock Options	Total
1.	Sharad Taparia	Managing Director	-	1.77	0.001	-	1.77
2.	Nirmal Kumar Jain	Independent Director	0.02	-	-	-	0.02
3.	Kamal Binani	Independent Director	0.02	-	-	-	0.02
4.	Mukul Taparia	Non Executive Director	0.02	-	-	-	0.02
5.	Sunaina Taparia	Non Executive Director	0.01	-	-	-	0.01
6.	Girish Desai	Non Executive Director	0.01	-	-	-	0.01

The Company did not have any pecuniary relationship or transactions with Non-Executive Directors except payment of sitting fees, reimbursement of expenses incurred for travel etc. for attending Board/Committee Meetings. Notice period, severance fees and performance-linked incentive are not stipulated in their terms of appointments.

Details of fixed and variable (performance-linked) components of remuneration and performance criteria - Details of Remuneration and other variable mentioned in above.

Service contracts, notice period, and severance fees - As decided by the Board.

- Stock options details, if any: - Not Applicable
- Whether issued at a discount,
- Vesting and exercise period, etc.

c) Stakeholders' Relationship Committee:

The Stakeholders Relationship Committee of the Company is constituted in line with the provisions of Regulation 20 of the Listing Regulations, 2015 read with Section 178 of the Companies Act, 2013. The Stakeholders Relationship Committee is responsible for the satisfactory redressal of

investor complaints and recommends measures for overall improvement in the quality of investor services.

The primary responsibilities of this Committee includes:

1. Monitor and review any investor complaints received by the Company or through SEBI, SCORES and ensure its timely and speedy resolution, in consultation with the Company Secretary, Compliance officer and Registrar and Share Transfer Agent of the Company.
2. Monitor implementation and compliance with the Company's Code of Conduct for Prohibition of Insider Trading.
3. Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non - receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
4. Review of measures taken for effective exercise of voting rights by shareholders.

Rachana Sawant, Company Secretary is the Compliance Officer for complying with requirements of Companies Act, Securities laws and listing Regulations with Stock Exchanges.

During the year, the Committee had One Meeting on November 12, 2025.

Sr. No.	Name of the Member	Status	Category	No. of Meetings Held	No. of Meetings Attended
1.	Nirmal Kumar Jain	Chairman	Non-Executive & Independent Director	1	1
2.	Kamal Binani	Member	Non-Executive & Independent Director	1	1
3.	Mukul Taparia	Member	Non-Executive Director	1	1

Details of complaints received and attended to during the financial year 2025-26 are given below:

No. of complaints pending as on April 01, 2025	0
No. of complaints received during the year	1
No. of complaints resolved during the year	1
No. of complaints pending as on March 31, 2026	0

d) Corporate Social Responsibility Committee:

The Committee's prime responsibility is to assist the Board in discharging its social responsibilities by way of formulating and monitoring implementation of the framework of corporate social responsibility policy, observe practices of Corporate Governance at all levels and to suggest on the website of the Company at www.pmlindia.com. The details of CSR activities for the financial year 2025-26 forms part of the Board's Report.

The composition of the CSR Committee and the details of the meetings attended by its members during the financial year ended March 31, 2026 are as under:

Sr. No.	Name	Meetings held	Meetings attended
1.	Nirmal Kumar Jain, Chairman	1	1
2.	Sharad Taparia, Member	1	1
3.	Mukul Taparia, Member	1	1

The Committee to look into matters related to sustainability and overall governance.

The Corporate Social Responsibility (CSR) Committee has been constituted by the Board in compliance with the requirements of Section 135 of the Act.

Terms of reference:

- Formulate and recommend to the Board, a CSR Policy indicating the activity or activities to be undertaken by the Company as specified in Schedule VII to the Act.
- To identify the areas of CSR activities and recommend the amount of expenditure to be incurred on such activities.
- Monitor the CSR Policy of the Company from time to time and ensure its Compliance.

The Board has adopted the CSR Policy as formulated and recommended by the Committee. The CSR Policy is available.

During the financial year 2025-26 Corporate Social Responsibility Committee meeting was held on February 09, 2026.

9. BOARD AND COMMITTEE MINUTES:

Minutes of all the Board and Committee Meetings are prepared by the Secretary of the Meeting, approved by the Chairman of the Meeting, entered in their respective Minutes Book within stipulate time frame, circulated to the Board in the Agenda for the succeeding meeting and adopted and taken on record.

10. GENERAL BODY MEETINGS:

a) Details of previous three Annual General Meetings:

Financial Year	Date of Meeting	Time	Location
2024-25	07.08.2025	2.30 p.m	Through Video Conferencing (VC)/Other Audio-Visual Means (OAVM)
2023-24	09.08.2024	2.30 p.m	Through Video Conferencing (VC)/Other Audio-Visual Means (OAVM)
2022-23	31.08.2023	2.30 p.m	Through Video Conferencing (VC)/Other Audio-Visual Means (OAVM)

Special resolutions passed in the previous three AGMs are as below:

2024-25	(i)	To revise the terms of remuneration w.e.f. April 01, 2025 of Sharad Taparia (DIN: 00293739) as Managing Director
2023-24	(i)	To approve the continuation of Directorship of Girish Desai (DIN: 01056763) who will attain age of Seventy Five (75) years on January 21, 2025.
	(ii)	Appointment of Nirmal Kumar Jain (DIN: 00019442) as an Independent Director of the Company.
2022-23	(i)	Increase in Limits of Borrowings u/s 180(1)(c) of the Companies Act, 2013.
	(ii)	Creation of charge on the assets of the Company under Section 180(1)(a) of the Companies Act, 2013.
	(iii)	Consent of Members for increase in the limits applicable for making investments/extending loans and giving guarantees or providing securities in connection with loans to Persons/Bodies Corporate.

Whether any Special Resolution passed last year through postal ballot: No special resolution was passed through postal ballot in the last year.

Whether any Special Resolution proposed to be conducted through postal ballot – At present, there is no proposal to pass any special resolution through Postal Ballot.

During the year under review, no Extraordinary General Meeting of the members of the Company was convened.

11. MEANS OF COMMUNICATION:

Unaudited/Audited financial results of the Company (Quarterly, Half yearly and annual) are immediately, after the Board's approval uploaded/displayed on the Company's website www.pmlindia.com under investors tab (a separate sections for investors information) in addition to submitting the same to BSE Limited.

Quarterly results are published in, Financial Express (Ahmedabad Edition) and Daman ganga Times (Vapi Edition). The Company has designated the following email-id exclusively for investor servicing – investors@pmlindia.com

12. GENERAL SHAREHOLDER INFORMATION:

i.	Annual General Meeting	
	Date	Wednesday, August 05, 2026
	Time	2.30 P.M
	Venue	The Company is conducting the AGM through Video Conference/Other Audio-Visual Mode (VC/OAVM) pursuant to the MCA Circular dated May 05, 2022 and General Circular No. 10/2022 dated December 28, 2022. As such there is no requirement to have a venue for the AGM. For details, please refer to the Notice of this AGM.
ii.	Company's Financial Year	April 01 to March 31
	First quarter ending June 30, 2026	Within 45 days from the end of quarter
	Second quarter and half year ending September 30, 2026	Within 45 days from the end of quarter
	Third quarter and nine months ending December 31, 2026	Within 45 days from the end of quarter
	Year ending on March 31, 2027	Within 60 days from the end of the year
iii.	Date of Book Closure	As mentioned in the Notice of this AGM.
iv.	Dividend Payment Date	On or before August 25, 2026 after making adjustments of TDS in the dividend of members as per Income Tax Act 1961, if final dividend is approved by the members.
iv.	Listing on Stock Exchanges	Bombay Stock Exchange (BSE) Ltd. Phiroze Jeejeebhoy Tower, Dalal Street, Mumbai - 400 001
v.	Listing Fees	The Company has paid Listing Fees for the financial year 2026 - 27 to the Stock Exchanges, where the equity shares of the Company are listed.
vi.	Stock Codes	504132 PERMAGN ISIN: INE418E01018
vii.	Corporate Identity Number (CIN)	L27100DN1960PLC000371

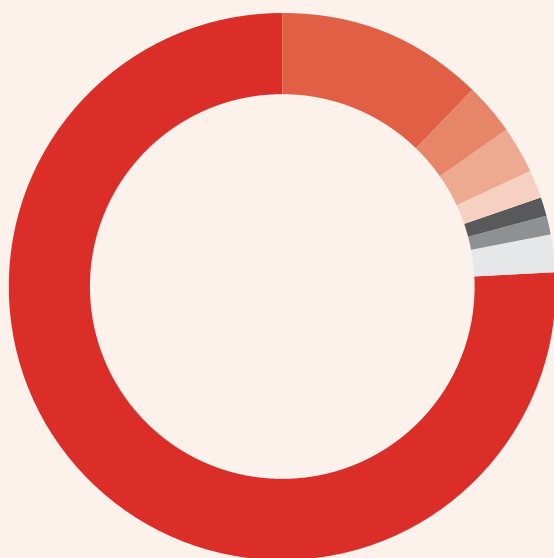
13. REGISTRAR TO AN ISSUE AND SHARE TRANSFER AGENT:**Adroit Corporate Services Private Limited**

19/20, 1st Floor, Jafferbhoy Industrial Estate, Makhwana Road, Marol Naka, Andheri (East), Mumbai – 400059
Ph. 022 - 42270400

Share Transfer System: The Company's shares are traded in the stock exchanges compulsorily in Demat form. The Company's Registrar and Transfer agent is the common agency to look after physical and demat registry work.

14. DISTRIBUTION OF SHARES AND SHAREHOLDING AS ON MARCH 31, 2026:

Shares slab	Shareholders	% of Shareholders	Total Shares	Amount (₹)	% of Share holding
UPTO - 500	17753	96.15	1058580	10585800	12.31
501 - 1000	366	1.98	275007	2750070	3.20
1001 - 2000	156	0.84	229892	2298920	2.67
2001 - 3000	62	0.34	154596	1545960	1.80
3001 - 4000	25	0.14	89748	897480	1.04
4001 - 5000	22	0.12	99753	997530	1.16
5001 - 10000	27	0.15	193157	1931570	2.25
10001 & Above	52	0.28	6497720	64977200	75.56
	18463	100.00	8598453	8,59,84,530	100.00

% of Shareholding

UPTO - 500	12.31
501 - 1000	3.20
1001 - 2000	2.67
2001 - 3000	1.80
3001 - 4000	1.04
4001 - 5000	1.16
5001 - 10000	2.25
10001 & Above	75.56

Shareholding Pattern as on March 31, 2026:

Sr. No.	Category of Shareholders	No. of Shares	Percentage
A	Promoter and Promoter Group	4987875	58.01
B.	Non-Promoter shareholding		
1	Financial Institutions/Banks	690	0.01
2	Individual Holding nominal share capital upto ₹2 Crores	1900810	22.11
3	Individual Holding nominal share capital in excess of ₹2Crores	1127647	13.11
4	Bodies Corporate	233987	2.72
5	KMP	10	0.00
6	NRIs	105808	1.23
7	NRI Corp Bodies	66600	0.77
8	Trusts	100	0.00
9	HUF Controlling	172076	2.00
10	Unclaimed Shares	2650	0.03
11	Corporate Body - Broker	200	-
TOTAL		8598453	100.00

Physical/NSDL/CDSL/Summary Report as on March 31, 2026:

CATEGORY	SHAREHOLDERS	SHARES	PERCENTAGE
PHYSICAL	2058	417092	4.85
NSDL	5240	5479069	63.72
CDSL	11165	2702292	31.43

15. RELATED PARTY TRANSACTIONS:

There are no material related party transactions during the year under review that have conflict with the interest of the Company. Transactions entered into with related parties during FY 2025-26 were in the ordinary course of business and at arms' length basis.

As required under Regulation 23 of Listing Regulations, the Company has adopted a policy on dealing with and materiality of Related Party Transactions has been placed on the Company's website and can be accessed at the following link: www.pmlindia.com.

16. OTHER DISCLOSURES:**a) Dematerialization of Shares and Liquidity as on March 31, 2026:**

The Company's shares are compulsorily traded in dematerialized form on BSE. Equity shares of the Company representing 95.15 percent of the Company's equity share capital are dematerialized as on March 31, 2026. Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE418E01018.

b) Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, Conversion Date and likely impact on Equity:

The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments in past and hence as on March 31, 2026, the Company does not have any outstanding GDRs/ADRs/Warrants or any convertible instruments.

c) Commodity price risk or foreign exchange risk and hedging activities:

During the year ended March 31, 2026, the Company had managed the foreign exchange risk to the extent considered necessary.

Credit Ratings:

Total Bank Facilities	
Long Term Rating	ACUITE BBB (Reaffirmed)
Short Term Rating	ACUITE A3 + (Reaffirmed)

d) Plant Location:

- Plot No. B-3, MIDC Industrial Area, Village Mira, Mira Road (East), Thane - 401107.
- Plot No. 22, Mira Co-op. Industrial Estate, Mira Road (East), Thane - 401107.
- Plot Nos. A-8, A-9, A-13, MIDC Industrial Area, Village Mira, Mira Road (East), Thane - 401107.
- Plot No. A3/2, MIDC Industrial Area, Village Mira, Mira Road (East), Thane - 401107.
- Building No. 2, Survey no. 34/B/1 to 18 and 35/A at Hissa no. 1, Hriday Industrial Hub, Village - Chinchoti, Taluka Vasai, Palghar - 401208.

Building No. 1, Gala no. 1, 101, 201, Gala No. 2 and Gala No. 102, A1 Complex, Survey No. 63B, Plot No. A/1 to A/6 & Plot No. B/7 & B/8, Kaman Bhiwandi Road, Vasai - 401208.

e) Corporate office address for correspondence:**Permanent Magnets Limited**

Plot No. B-3, MIDC Industrial Area, Village Mira, Mira Road (East), Thane - 401107

Contact: 022 – 68285454

Fax: 022 – 29452128

Website: www.pmlinda.com

E-mail ID: investors@pmlindia.com/

rachana.rane@pmlindia.com

f) Non-compliance by the Company, penalties and strictures imposed on the Company by the Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years:

There was no such instance in the last 3 years.

g) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements of this clause:

The Company confirms that it has complied with all mandatory requirements prescribed in the Listing Regulations for the FY 2025-26. Also, pursuant to the provisions of Regulation 34(3) of the Listing Regulations read with Part B of Schedule II to the Listing Regulations, the Managing Director and the Chief Financial Officer

(CFO) have issued a certificate to the Board for the year ended March 31, 2026.

h) Details of utilization of funds raised through preferential allotment or qualified institutions placement:

No funds have been raised through preferential allotment or qualified institutional placement.

i) A certificate from a Company Secretary in practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority:

The certificate from Dash Dwivedi and Associates LLP, Practicing Company Secretary forms part of this Report.

j) Where the Board had not accepted any recommendation of any Committee of the Board which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons thereof:

No such disclosure.

k) Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part:

Payment to Statutory Auditors	FY 2025-26 (₹In Crores)
Audit Fees	0.06
M/s Jayesh Sanghrajka & Co LLP	
Tax Audit Fees	-
Other Services	0.02
Reimbursement of expenses	-
Total	0.08

The Company has followed all relevant Accounting Standards notified by the Companies (Indian Accounting Standards) Rules, 2015 while preparing Financial Statements for 2025-26.

l) Details of non-compliance of any requirement of Corporate Governance Report or sub-paras (2) to (10) above, with reasons thereof:

There is no non-compliance with any requirement of Corporate Governance Report of sub-paras (2) to (10) of the Corporate Governance Report as given in Schedule V(C) of the Listing Regulation. The disclosures of the compliance with Corporate Governance requirements specified in Regulation 17 to 27 of the Listing Regulations, have been made in this Corporate Governance report. Details required under clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the said Regulations are displayed on the website of the Company at www.pmlindia.com.

The non-mandatory requirements as stipulated in Part E of Schedule II of the Listing Regulations have been adopted to the extent and in the manner as stated under the appropriate headings in this Report.

17. ESTABLISHMENT OF VIGIL MECHANISM, WHISTLE BLOWER POLICY:

The Company has adopted a Whistle Blower Policy to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct. A copy of Whistle Blower Policy of the Company has been put up on Company's website www.pmlindia.com.

18. PROHIBITION OF INSIDER TRADING:

The Company has a policy i.e., code of conduct prohibiting insider trading in conformity with SEBI (Prohibition of Insider Trading) Regulations, 2015. The said policy contains necessary procedures applicable to Directors, officers and

designated persons for trading in the securities of the Company. The trading window closure are intimated in advance to all the concerned during which period, the Board of Directors and designated persons are not permitted to trade in the securities of the Company.

19. DISCLOSURES IN RELATION TO THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

a.	Number of complaints filed during the financial year	Nil
b.	Number of complaints disposed during the financial year	N.A.
c.	Number of complaints pending as on end of the financial year	N.A.

20. CEO AND CFO CERTIFICATION:

The Managing Director and Chief Financial Officer of the Company have certified positively to the Board on the matters specified under Regulation 17(8) of the Listing Regulations for the year ended March 31, 2026. The said certificate is attached in this Annual Report.

21. EQUITY SHARES IN SUSPENSE ACCOUNT:

In accordance with the requirement of Regulation 34 (3) and Schedule V Part F of Listing Regulations, 2015 the Company reports the following details in respect of equity shares lying in the Unclaimed suspense account which were issued in dematerialised form pursuant to the public issue of the Company:

Particulars	No. of Shareholders	No. of Shares
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year;	16	2650
Number of shareholders who approached listed entity for transfer of shares from suspense account during the year;	0	0
Number of shareholders to whom shares were transferred from suspense account during the year;	0	0
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year;	16	2650

22. CODE OF CONDUCT:

The Code of Conduct for the Board of Directors and the Senior Management Personnel has been disclosed on the website of your Company, viz., www.pmlindia.com. The declaration by the Managing Director stating that all the Board Members and Senior Management Personnel have affirmed their compliance with the laid down Code of Conduct for the Financial Year ended March 31, 2026, is annexed to this Report on Corporate Governance.

Declaration under Regulation 26 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, regarding compliance with Code of Conduct

In accordance with Regulation 26 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that, all the Board Members and Senior Management personnel of the Company have affirmed compliance with the Codes of Conduct, as applicable to them, for the financial year ended March 31, 2026.

FOR AND ON BEHALF OF THE BOARD

Place: Mumbai
Date: May 13, 2026

Sd/-
Sharad Taparia
Managing Director
DIN: 00293739

Certificate of Non-Disqualification of Directors

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members
Permanent Magnets Limited
Harsh Avenue, 302, 3rd floor,
Opp. Silvassa Police Station,
Silvassa Vapi Main Road,
Silvassa, DN - 396230.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Permanent Magnets Limited having CIN: L27100DN1960PLC000371 and having registered office at Harsh Avenue, 302, 3rd Floor, Opp. Silvassa Police Station, Silvassa Vapi Main Road, Silvassa, DN- 396230 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V, para C, sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. In our opinion and to the best of our information and according to the verifications, including Director Identification Number (DIN) status at the portal www.mca.gov.in as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2026 have been debarred or disqualified from being appointed or continuing as Director of the Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authorities

Sr. No.	Name of Directors	DIN	Designation	Date of Appointment in the Company
1	Shri Sharad Taparia	00293739	Managing Director	15/05/2008
2	Shri Nirmal Kumar Jain	00019442	Independent Director & Chairman	09/08/2024
3	Shri Kamal Binani	00340348	Independent Director	26/12/2017
4	Shri Mukul Taparia	00318434	Non-Executive Director	22/09/2014
5	Smt. Sunaina Taparia	07139610	Non-Executive Director	01/04/2015
6	Shri Girish Ramanlal Desai	01056763	Non-Executive Director	01/06/2020

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Dash Dwivedi and Associates LLP
Company Secretaries

Place: Mumbai
Date: May 13, 2026

Sd/-
Arun Dash
(Designated Partner)
M. No. FCS 9765
C.P. No. 9309

UDIN: F009765H000363085
Peer Review No.: 6628/2025

CEO/CFO Certificate

Under Regulation 17(8) of Sebi (LODR) Regulations, 2015

We the undersigned, in our respective capacities as Managing Director and Chief Financial Officer of PERMANENT MAGNETS LIMITED ("the Company") to the best of our knowledge and belief certify that:

- I. We have reviewed Financial Statements and the Cash Flow Statement for the year ended March 31, 2026 and that to the best of our knowledge and belief we state that:
 - a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - b) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- II. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- III. We accept responsibility for establishing and maintaining Internal Controls for financial reporting and that we have evaluated the effectiveness of Internal Control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such Internal Controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- IV. We have indicated to the Auditors and the Audit Committee;
 - a) Significant changes in the Internal Control over financial reporting during the year ended March 31, 2026;
 - b) Significant changes in accounting policies during the year ended March 31, 2026 and that the same have been disclosed in the notes to the Financial Statements; and
 - c) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's Internal Control System over financial reporting.

FOR AND ON BEHALF OF THE BOARD

Sd/-
Sharad Taparia
Managing Director
DIN: 00293739

Sd/-
Sukhmal Jain
Chief Financial Officer

Place: Thane
Date: May 13, 2026

Practising Company Secretary's Certificate on Corporate Governance

To,
The Members of
Permanent Magnets Limited

We have examined the compliance of conditions of Corporate Governance by Permanent Magnets Limited ('the Company') as stipulated in Regulation 34(3) and Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of conditions of corporate governance.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of corporate governance as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

No investor grievance(s) is/are pending for a period exceeding one month against the Company.

We further state that it is neither an audit nor an expression of opinion on the financial statements of the Company and such compliance is neither an assurance as to the future viability of the Company nor the efficiency or the effectiveness with which the management has conducted the affairs of the Company.

Dash Dwivedi and Associates LLP
Company Secretaries

Place: Mumbai
Date: May 13, 2026

Sd/-
Arun Dash
(Designated Partner)
M. No. FCS 9765
C.P. No. 9309

UDIN: F009765H000362964
Peer Review No.: 6628/2025

Independent Auditor's Report

To,
The Members of
Permanent Magnets Limited

Report on the Audit of Standalone Financial Statements

OPINION

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

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act 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 March 31, 2026 the profit and loss 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 financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the financial year ended March 31, 2026. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters. There are no significant key audit matters observed by us.

EMPHASIS OF MATTERS

We draw attention to the following matters in the Notes to the Financial Statements:

- a. We draw attention to Note no. 03 of notes to accounts of the financial statement, which states that Honorable Bombay High Court has given interim stay order against the winding up order passed against the Company dated April 15, 2015.

Honorable High Court of Bombay had passed a winding up order dated April 15, 2015 for the Winding up of the company on a petition filed by M/s. Savino Del Bene Freight Forwarders (I) Pvt. Ltd., and the court had issued directions for the appointment of an official liquidator in winding up the order.

On the appeal against this order made by the company before the Honorable Bombay High Court, the Honorable Bombay High Court has given an interim stay order against the winding up order passed (against the Company) dated April 15, 2015. The company has deposited ₹0.19 crore with interest as per the direction of the honorable Bombay High Court. The matter is pending before Bombay High Court and the next hearing in this matter shall come up as per the listing of the court.

The financial statements of the company have been prepared on a Going Concern Basis on reasons mentioned in note no. 3 of notes of accounts.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

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

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

RESPONSIBILITY OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or

when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143 (11) of the Act, applicable from April 01, 2021 we give in "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of written representations received from the directors as on March 31, 2026 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2026 from being appointed as a director in terms of section 164(2) of the Act.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure B.**"
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations as at March 31, 2026 on its financial position in its standalone financial statements - Refer Note No. 02 of Notes to Accounts to the standalone financial statements.
 - ii. The Company did not have any long-term contracts, including derivatives contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. a. The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company; or
 - provide any guarantee, security, or the like to or on behalf of the Ultimate Beneficiaries.
 - b. The management has represented, that, to the best of its knowledge and belief no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:
 - directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party; or
 - provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.
 - c. Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (iv) (a) and (iv) (b) contain any material misstatement.
 - v. a. The Company has declared and paid dividend during the year in compliance with Section 123 of the Act.
 - b. As stated in Note No. 18 of the Notes to Accounts, the Board of Directors of the

company has proposed final dividend for the year, which is subject to approval of the members in the ensuing Annual General Meeting. The amount of dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

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

recorded in those respective years by the Company as per the statutory requirements for record retention.

- c. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act: In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For Jayesh Sanghrajka & Co. LLP

Chartered Accountants

ICAI Firm Registration No. 104184W/W100075

Hemant Kumar Agrawal

Designated Partner

M. No.: 403143

UDIN: 26403143AOMGYW2687

Place: Mumbai

Date: May 13, 2026

Annexure 'A'

TO THE INDEPENDENT AUDITOR'S REPORT

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

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

- i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
 - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.
 - (B) The Company has maintained proper records showing full particulars of intangible assets.
 - (b) The Company has a regular program of physical verification of its fixed assets and right-of-use assets so to cover all the assets once every two years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were due for verification during the year and were physically verified by the Management during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
 - (c) Based on our examination of the registered Sale Deed/Transfer Deed/Conveyance Deed made available to us, we report that the title deed of the immovable property is held in the name of the Company. Further, the Company holds a 15% share in the Borivali (Mumbai) property, which has been transferred/sold to the builder. In respect of immovable and movable properties that have been taken on lease and disclosed in the financial statements as right-of use asset as at the balance sheet date, the lease agreements are duly executed in favour of the Company.
- ii. In respect of the company's inventories;
 - (a) The inventories were physically verified "except goods in transit" during the year by the Management at reasonable intervals. For goods in transit, subsequent evidence of delivery has been verified. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No material discrepancies were noticed on such physical verification.
 - (b) As disclosed in note 19 to the financial statements, the Company has been sanctioned working capital limits in excess of ₹ five crores in aggregate from banks or financial institutions during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the financial statements, the quarterly returns/statements filed by the Company with such banks are in agreement with the books of account of the Company.
- iii. Based on the audit procedures conducted by us and according to the information and explanations provided to us, during the year the company has not made any investments in or has not provided any guarantee or security or has not granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties except as follows:
 - (a) Based on the audit procedures conducted by us and according to the information and explanations provided to us, during the year the company has granted unsecured loan to its wholly owned subsidiary and also stood guarantee for it for granting EPCG License.

(₹ in Crores)

Particulars	Guarantees	Loans
Aggregate amount during the year		
Subsidiary	0.83	2.73
Balance outstanding as at balance sheet date		
Subsidiary	0.00	2.73

- (b) In respect of the aforesaid guarantees and loans, the terms and conditions under which such guarantees provided, and loans were granted are not prejudicial to the Company's interest, based on the information and explanations provided by the Company.
- (c) According to the information and explanations given to us and based on our examination, we report that the schedule of repayment of principal has been duly stipulated.
- (d) According to the information and explanations given to us and based on our examination we report that; there are no loans overdue for more than ninety days as on March 31, 2026.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to same parties.
- (f) 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 granted a loan to its wholly owned subsidiary which is repayable on demand.
- iv. In our opinion and according to the information and explanations provided to us, the Company has not granted any loans or provided any guarantees or security to the parties covered under Section 185 of the Companies Act, 2013. During the year, the Company has provided a corporate guarantee on behalf of its wholly owned subsidiary. The Company has complied with the provisions of Section 186 of the Act in respect of investments made or loans or guarantee or security provided to the parties covered under Section 186 of the Act.
- v. According to the information and explanation given to us, Company has not accepted any deposits or amounts which are deemed to be deposits referred in Sections 73, 74, 75 and 76 of the Act and the Rules framed there under. Hence, reporting under clause 3(v) of the Order is not applicable.
- vi. According to the information and explanations given to us and based on our examination of the records of the Company, the provisions relating to maintenance of cost records under sub-section (1) of Section 148 of the Companies Act, 2013 were not applicable to the Company during the financial year ended March 31, 2026. Accordingly, maintenance of cost records was not required during the year and reporting under clause 3(vi) of the Companies (Auditor's Report) Order, 2020 is not applicable.
- We are informed that, based on the turnover achieved during the year, the Company has initiated compliance with the applicable provisions relating to cost records/ cost audit for the subsequent financial year.
- vii. In respect of statutory dues:
- (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.
- According to the information and explanations given to us and on the basis of our examination of the records of the Company, there were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2026 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2026, on account of disputes are given below:

Nature of the Statute	Nature of Dues	Forum where the dispute is pending	Period to which the amount relates	Amount (In ₹ Crore)
Central Excise Act, 1944	Excise Duty	CESTAT - Mumbai	FY 2003-04	0.63

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

ix. In respect of borrowings:

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

Bank	Nature	Amount (₹ in Crore)	Due on	Paid on
ICICI	Interest on Central excise Loan	1.75*	Between October 2002 to November 2017	Not yet paid

*It is simple interest @12% provided by the company till the last repayment of the loan

- b. According to the information and explanation given to us and based on the records produced before us, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- c. According to the information and explanation given to us and based on the records produced before us, The Company has used term loan for the object for which it is obtained during the year and there are no unutilised term loans at the beginning of the year.
- d. According to the information and explanation given to us and based on the records produced before us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, funds raised on short-term basis has, prima facie, not been used during the year for long-term purposes by the Company.
- e. According to the information and explanation given to us and based on the records produced before us, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates, or joint ventures.
- f. According to the information and explanation given to us and based on the records produced before us, The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, the requirement to report on clause 3(ix)(f) of the Order is not applicable to the Company.

x. In respect of issue of securities:

- a. The Company has not raised any money during the year by way of initial public offer/further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- b. The Company has not made any preferential allotment or private placement of shares/fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

xi. In respect of fraud:

- a. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.
- b. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.
- c. As per the information and explanation given to us, there were no whistle blower complaints received by the Company during the year and up to the date of this report.

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

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

xiv. In respect of internal audit:

- (a) Based on information and explanations provided to us and our audit procedures, in our opinion, 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. According to the information and explanations given to us and based on our examination of the records, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses (xvi) (a), (b) and (c) of the Order is not applicable.
- (b) According to the information and explanations provided to us during the course of audit, the Group does not have any Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi) and clause 3(xvi) of the Order is not applicable.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year accordingly the reporting under clause 3(xviii) of the Order is not applicable to the Company.
- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. (a) In our opinion and according to the information and explanations given to us, the Company has during the year spent the amount of Corporate Social Responsibility as required under sub-section (5) of Section 135 of the Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.
- (b) In our opinion and according to the information and explanations given to us, there are no ongoing projects as per section 135 of the Companies Act. Accordingly, reporting under clauses (xx)(b) of Paragraph 3 of the Order are not applicable.

For Jayesh Sanghrajka & Co. LLP

Chartered Accountants

ICAI Firm Registration No. 104184W/W100075

Hemant Kumar Agrawal

Designated Partner

M. No.: 403143

UDIN: 26403143AOMGYW2687

Place: Mumbai

Date: May 13, 2026

Annexure 'B'

TO THE INDEPENDENT AUDITORS' REPORT

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

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

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

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures

selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error.

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

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS

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

OPINION

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

For Jayesh Sanghrajka & Co. LLP

Chartered Accountants

ICAI Firm Registration No. 104184W/W100075

Hemant Kumar Agrawal

Designated Partner

M. No.: 403143

UDIN: 26403143AOMGYW2687

Place: Mumbai

Date: May 13, 2026

Standalone Balance Sheet

As at 31.03.2026

(₹ in Crores)

Particulars	Note No	As at March 31, 2026	As at March 31, 2025
ASSETS			
(1) Non Current Assets			
(a) Property, Plant and Equipment	2	58.21	46.04
(b) Right-of-use Assets	2	13.94	8.12
(c) Capital Work-in-Progress		3.37	-
(d) Other Intangible assets	2	0.17	0.20
(e) Financial Assets			
(i) Investments	3	0.05	0.05
(ii) Bank Balances	4	0.29	1.47
(iii) Loans	5	2.16	1.03
(f) Deferred Tax Assets (Net)	6	3.81	2.64
(g) Other Non-Current Assets	7	5.33	1.40
A		87.33	60.95
(2) Current Assets			
(a) Inventories	8	55.26	53.11
(b) Financial Assets			
(i) Trade Receivables	9	54.68	39.24
(ii) Cash and Cash Equivalents	10	11.79	4.48
(iii) Bank Balances	11	19.40	14.60
(iv) Loans	12	4.19	9.07
(c) Other Current Assets	13	5.70	8.47
B		151.02	128.97
TOTAL ASSETS (A+B)		238.35	189.91
EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity Share Capital	14	8.60	8.60
(b) Other Equity	15	156.37	137.40
C		164.97	146.00
Liabilities			
(2) Non Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	16	19.03	8.11
(ii) Lease Liabilities	17	11.05	5.70
(b) Provisions	18	2.51	0.80
D		32.59	14.61
(3) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	19	3.47	3.27
(ii) Trade Payables (Current)	20		
a) total outstanding dues of micro enterprises and small enterprises; and		6.02	3.63
b) total outstanding dues of creditors other than micro enterprises and small enterprises		22.55	16.31
(iii) Lease Liabilities	21	3.87	2.90
(iv) Other Financial Liabilities	21	0.80	0.65
(b) Other Current Liabilities	22	2.76	2.07
(c) Provisions	23	0.04	0.01
(d) Current Tax Liabilities	24	1.27	0.46
E		40.79	29.30
TOTAL EQUITY AND LIABILITIES (C+D+E)		238.35	189.91

Significant Accounting Policies

1

The Notes are an integral part of these financial statements

As per our Report of even date attached

For Jayesh Sanghrajka & Co LLP

Chartered Accountants

ICAI Firm Regd. No. 104184W/W100075

Hemant Kumar Agrawal

Designated Partner

M. No.: 403143

UDIN: 26403143AOMGYW2687

Sharad Taparia

Managing Director

DIN: 00293739

Mukul Taparia

Director

DIN: 00318434

Place: Mumbai

Date: May 13, 2026

Sukhmal Jain

Chief Financial officer

Rachana Sawant

Company Secretary

MRN: F13080

For & on behalf of the Board of Directors of
Permanent Magnets Limited

Standalone Statement of Profit and Loss

For the year ended 31.03.2026

(₹ in Crores)

Particulars	Note No	As at March 31, 2026	As at March 31, 2025
I Revenue From Operations	25	225.46	199.54
II Other Income	26	6.20	4.54
III Total Income (I+II)		231.65	204.08
IV Expenses			
Cost of materials consumed	27	122.00	111.66
Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	28	(3.91)	(0.49)
Employee benefits expense	29	14.72	12.19
Finance costs	30	3.12	2.17
Depreciation and amortization expense	31	12.63	9.33
Other expenses	32	53.65	48.95
Total expenses (IV)		202.20	183.82
V Profit/(loss) before exceptional items and tax (I- IV)		29.45	20.26
VI Exceptional Items	33	1.74	-
VII Profit/(loss) before tax (V-VI)		27.70	20.26
VIII Tax expense:			
(1) Current tax		8.36	5.70
(2) Deferred tax (Assets)/Liabilities		(1.17)	(0.60)
(3) Short/(Excess) provision of earlier years		0.12	0.01
IX Profit for the period from continuing operations (VII-VIII)		20.39	15.17
X Profit/(loss) from discontinued operations		-	-
XI Tax expense of discontinued operations		-	-
XII Profit/(loss) from Discontinued operations (after tax) (X-XI)		-	-
XIII Profit for the period (IX+XII)		20.39	15.17
XIV Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss	34	0.30	(0.01)
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
B (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
XV Total Comprehensive Income for the period (XIII+XIV) (Comprising Profit and Other Comprehensive Income for the period)		20.69	15.16
XVI Earnings per equity share (for continuing operation):	35		
(1) Basic		24.06	17.63
(2) Diluted		24.06	17.63
XVII Earnings per equity share (for discontinued operation):	35		
(1) Basic		-	-
(2) Diluted		-	-
XVIII Earnings per equity share (for discontinued & continuing operations)	35		
(1) Basic		24.06	17.63
(2) Diluted		24.06	17.63

Significant Accounting Policies

1

The Notes are an integral part of these financial statements

As per our Report of even date attached

For Jayesh Sanghrajka & Co LLP

Chartered Accountants

ICAI Firm Regd. No. 104184W/W100075

Hemant Kumar Agrawal

Designated Partner

M. No.: 403143

UDIN: 26403143AOMGYW2687

Sharad Taparia

Managing Director

DIN: 00293739

Mukul Taparia

Director

DIN: 00318434

Place: Mumbai

Date: May 13, 2026

Sukhmal Jain
Chief Financial officer

Rachana Sawant
Company Secretary
MRN: F13080

For & on behalf of the Board of Directors of
Permanent Magnets Limited

Standalone Cash Flow Statement

(Indirect Method)

For the year ended March 31, 2026

(₹ in Crores)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax and extraordinary items (PBT)	28.00	20.26
Adjustment for :		
Depreciation & Amortization		
Depreciation and Amortization PPE	8.27	6.34
Depreciation for Leased assets	4.36	3.00
Impairment	0.06	-
Loss/(Profit) on Sale of Assets	(0.01)	(0.01)
Finance Costs	1.40	1.19
Financial Charges on lease liability	1.72	0.98
Interest income on security deposit	(0.14)	(0.08)
Provision for Bad debts	0.20	-
Misc balance written off	0.03	0.16
(Short)/Excess provision of earlier years	(0.12)	(0.01)
Unrealised Foreign Exchange Gain	(0.87)	(0.54)
Operating Profit before working Capital Changes	42.89	31.29
Adjustment for:		
Inventories	(2.15)	1.76
Trade Receivables	(14.87)	0.40
Other Assets	0.65	15.31
Trade Payables	8.57	(7.35)
Other Liabilities	3.39	0.12
	38.49	41.53
Direct Taxes Paid	7.09	5.23
Net cash generated from Operating Activities	31.40	36.30
CASH FLOW FROM INVESTMENT ACTIVITIES		
Additions to Fixed Assets (Net)	(20.47)	(26.55)
Capital work in progress	(3.37)	-
Capital Advances for PPE	(3.93)	(1.05)
Sale of Fixed Assets	0.02	0.01
Net cash generated/(used) in investing activities	(27.75)	(27.59)
CASH FLOW FROM FINANCING ACTIVITIES		
Dividend Paid	(1.72)	(1.55)
Proceeds from Long Term Borrowings	13.92	0.72
Repayment of Long Term Borrowings	(2.99)	(2.67)
Proceeds/(Repayment) from Current borrowings (net)	0.34	(0.11)
Finance Charges paid (Net)	(1.40)	(1.19)
Payment of Lease liabilities	(5.24)	(3.51)
Equity Capital Inflow	-	-
Net cash generated from Financing Activities	2.91	(8.30)
NET INCREASE IN CASH AND CASH EQUIVALENTS	6.55	0.41
Cash and cash equivalents at the beginning of the period	5.24	4.84
Cash and cash equivalents at the end of the period	11.79	5.24

Notes:

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

2. Cash and Cash Equivalent

Particulars	(₹ in Crores)	
	March 31, 2026	March 31, 2025
Cash in hand	0.03	0.04
Balance with Banks	0.12	4.44
FDR having maturity period of 3 Month or less	11.65	0.77
Total	11.79	5.24

As per our Report of even date attached

For Jayesh Sanghrajka & Co LLP

Chartered Accountants

ICAI Firm Regd. No. 104184W/W100075

Hemant Kumar Agrawal

Designated Partner

M. No.: 403143

UDIN: 26403143AOMGYW2687

Place: Mumbai

Date: May 13, 2026

For & on behalf of the Board of Directors of
Permanent Magnets Limited

Sharad Taparia

Managing Director

DIN: 00293739

Mukul Taparia

Director

DIN: 00318434

Sukhmal Jain

Chief Financial officer

Rachana Sawant

Company Secretary

MRN: F13080

Notes forming part of Standalone Financial Statements

As at March 31, 2026

2. PROPERTY, PLANT AND EQUIPMENT (INCLUDING RIGHT OF USE ASSETS) & INTANGIBLE ASSETS

Particulars/Assets	Tangible Assets								Intangible Assets		Gross Total		
	Freehold Land	Building	Plant & Machinery	Electric Installation	Laboratory Equipments	Automobiles & Vehicles	Furniture & Fixtures	Office Equipments	Right of Use Assets	Total		Computer Software	Total
GROSS BLOCK													
At 1 April 2024	4.26	1.45	30.59	0.27	-	0.96	0.19	1.49	13.20	52.41	0.53	52.94	
Additions	17.40	0.26	8.21	0.09	-	-	0.19	0.27	5.13	31.56	0.12	31.68	
Deduction/Adjustments	-	-	0.02	-	-	-	-	-	-	0.02	-	0.02	
At 31 March 2025	21.66	1.71	38.78	0.36	-	0.96	0.39	1.76	18.33	83.95	0.65	84.60	
Additions	0.30	0.89	17.77	0.11	-	0.75	0.18	0.44	10.19	30.62	0.04	30.66	
Deduction/Adjustments	-	-	0.03	-	-	0.08	-	1.26	-	1.37	-	1.37	
At 31 March 2026	21.96	2.60	56.52	0.47	-	1.63	0.57	0.94	28.51	113.20	0.69	113.89	
ACCUMULATED DEPRECIATION													
At 1 April 2024	-	0.58	10.80	0.07	-	0.70	0.11	1.10	7.21	20.57	0.36	20.93	
Additions	-	0.26	5.45	0.07	-	0.08	0.10	0.28	3.00	9.24	0.09	9.33	
Deduction/Adjustments	-	-	0.02	-	-	-	-	-	-	0.02	-	0.02	
At 31 March 2025	-	0.83	16.23	0.15	-	0.78	0.21	1.38	10.21	29.79	0.45	30.24	
Additions	-	0.42	6.91	0.08	-	0.29	0.12	0.38	4.36	12.56	0.07	12.63	
Deduction/Adjustments	-	-	0.02	-	-	0.08	-	1.20	-	1.30	-	1.30	
At 31 March 2026	-	1.25	23.11	0.23	-	0.99	0.33	0.56	14.57	41.04	0.52	41.56	
NET BLOCK													
At 31 March 2025	21.66	0.88	22.55	0.21	-	0.18	0.17	0.38	8.12	54.16	0.20	54.36	
At 31 March 2026	21.96	1.35	33.40	0.24	-	0.64	0.24	0.38	13.94	72.16	0.17	72.33	

3: INVESTMENTS

(₹ in Crores)

Particulars	March 31, 2026	March 31, 2025
Investment in Wholly Owned Subsidiaries at cost		
Equity Shares (Unquoted)		
50000 (PY 50000 shares of Face Value of ₹1/- each) shares of Quantum Magnetics Private Limited	0.05	0.05
Total - Investment	0.05	0.05
Aggregate Value of	-	-
Quoted Investments	-	-
Market Value - Quoted Investments	-	-
UnQuoted Investments	0.05	0.05

4: BANK BALANCES

(₹ in Crores)

Particulars	March 31, 2026	March 31, 2025
Term Deposits*	-	1.25
Bank - Dividend a/c	0.29	0.22
Total - Bank Balances	0.29	1.47

*Bank deposits of INR Nil (P.Y. ₹1.25 Cr) held as collateral security for various banks limit

5: LOANS

(₹ in Crores)

Particulars	March 31, 2026	March 31, 2025
Security Deposits	2.16	1.03
Total - Loans	2.16	1.03
Secured, considered good	-	-
Unsecured, considered good	2.16	1.03
Doubtful	-	-

6: DEFERRED TAX ASSETS (NET)

(₹ in Crores)

Particulars	March 31, 2026	March 31, 2025
Deferred Tax Asset		
- On account of Depreciation difference	1.68	1.07
- On account of Depreciation difference ROU	0.12	0.13
- On account of Depreciation diff. (ROU diff in Retained earning)	0.20	0.20
- On account of Disallowance of expenses	0.63	0.63
- On account of Gratuity difference	-	-
	2.64	2.03
Add/Less:		
- On account of Depreciation diff.	0.51	0.62
- On account of Depreciation diff. (ROU)	0.12	(0.01)
- On account of Gratuity difference	0.53	-
- On account of Forwarded contract receivable	-	-
	1.17	0.60
Total - Deferred Tax Asset	3.81	2.64

Ageing for trade receivables as on 31.03.2025:

(₹ in Crores)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 Months	6 Months to 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Undisputed Trade Receivable - Considered Good	38.60	0.02	0.62	-	-	39.24
Undisputed Trade Receivable - Which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade Receivable - Credit Impaired	-	-	-	-	-	-
Disputed Trade Receivable - Considered Good	-	-	-	-	-	-
Undisputed Trade Receivable - Which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivable - Credit Impaired	-	-	-	-	-	-
Total - Trade Receivables	38.60	0.02	0.62	-	-	39.24

10: CASH AND CASH EQUIVALENTS

(₹ in Crores)

Particulars	March 31, 2026	March 31, 2025
Balances with Banks*	0.12	4.44
Cash on hand	0.03	0.04
FDR's having original maturity less than 3 months	11.65	-
Total - Cash And Cash Equivalents	11.79	4.48

11: BANK BALANCES

(₹ in Crores)

Particulars	March 31, 2026	March 31, 2025
Balance held in Bank as Fixed Deposits Maturity in more than 3 months but less than 12 months*	19.40	14.60
Total - Bank Balances	19.40	14.60

*Bank deposits of ₹5.69 Cr (P.Y. ₹2.25 Cr) held as collateral security for term loan taken from banks and ₹10.10 Cr (P.Y. ₹9.06 Cr) held as margin money against bank guarantee/LC & Collateral against Working Capital.

12: LOANS

(₹ in Crores)

Particulars	March 31, 2026	March 31, 2025
Advances recoverable in cash or kind	1.45	2.89
Loans & Advances to Employees	-	-
Loan to Related Party	2.73	6.17
Total - Loans	4.19	9.07
Secured, considered good	-	-
Unsecured, considered good	4.19	9.07
Doubtful	-	-

13: OTHER CURRENT ASSETS

(₹ in Crores)

Particulars	March 31, 2026	March 31, 2025
Advance to Suppliers	1.77	4.42
Balance With Statutory/Government Authorities	2.58	2.90
Prepaid Expenses	1.34	1.15
Other Advance	0.01	0.01
Total - Other Current Assets	5.70	8.47

14: EQUITY SHARE CAPITAL

(₹ in Crores)

Particulars	March 31, 2026	March 31, 2025
AUTHORIZED CAPITAL		
2,00,00,000 (P.Y. 1,00,00,000) Equity Shares of ₹10/- each	20.00	10.00
60,00,000 (P.Y. 60,00,000) Redeemable Cumulative/Non-Cumulative Preference Shares of ₹10/- each	6.00	6.00
	26.00	16.00
ISSUED, SUBSCRIBED & PAID UP CAPITAL:		
85,98,453 (P.Y. 85,98,453) Equity Shares of ₹10/- each, Fully Paid-Up	8.60	8.60
Total	8.60	8.60

14.1 Reconciliation of shares outstanding at the beginning and at the end of the reporting period

Equity Shares

(₹ in Crores)

Particulars	At March 31, 2026		At March 31, 2025	
	No of Shares	Amount	No of Shares	Amount
Number of Shares at the beginning	85,98,453	8.60	85,98,453	8.60
Add: Number of Shares Issued	-	-	-	-
Number of Equity Shares at the end	85,98,453	8.60	85,98,453	8.60

14.2 Terms/Rights attached to Equity Shares

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

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

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

Particulars	At March 31, 2026		At March 31, 2025	
	No of Shares held	% of Holding	No of Shares held	% of Holding
Equity shares of ₹10 each fully paid				
Sharad Jaiprakash Taparia	13,84,912	16.11	13,40,067	15.58
Mukul Taparia	14,00,582	16.29	13,63,737	15.86
Kamla Anil Taparia, hold in the capacity of Partner of Shri Orient Corporation	5,77,060	6.71	5,77,060	6.71
Jaiprakash Hanumanbux Taparia	6,19,234	7.20	6,06,081	7.05

As per the records of the company, including its register of shareholders/members and other declaration received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

Shareholding of Promoters

Particulars	At March 31, 2026		At March 31, 2025		% Change during the year
	No. of Shares	% of total shares	No. of Shares	% of total shares	
Sunilkumar Verawdan Taparia [#]	10,100	0.12%	63,340	0.74%	(0.62%)
Rishi Taparia [#]	41,400	0.48%	41,000	0.48%	0.00%
Nandini Taparia [#]	25,000	0.29%	25,000	0.29%	0.00%
Kamala Anil Taparia [#]	1,34,835	1.57%	1,34,835	1.57%	0.00%
Rashi Mittal [#]	1,000	0.01%	1,000	0.01%	0.00%

Shareholding of Promoters (Contd.)

Particulars	At March 31, 2026		At March 31, 2025		% Change during the year
	No. of Shares	% of total shares	No. of Shares	% of total shares	
Sunita Sunil Taparia [#]	4,137	0.05%	25,290	0.29%	(0.24%)
Anju Toshniwal [#]	25	0.00%	25	0.00%	0.00%
Divya Anil Taparia [#]	16,040	0.19%	16,040	0.19%	0.00%
Roli Bajpai [#]	50,000	0.58%	50,000	0.58%	0.00%
Manmohan Taparia [#]	50,000	0.58%	50,000	0.58%	0.00%
Kamala Anil Taparia, Partner Of Shri Orient Corporation - Partnership Firm [#]	5,77,060	6.71%	5,77,060	6.71%	0.00%
Sunaina Taparia [*]	76,800	0.89%	76,800	0.89%	0.00%
Anilkumar Taparia [#]	1,59,420	1.85%	1,58,180	1.84%	0.01%
Meena Kabra [#]	1,90,000	2.21%	1,90,000	2.21%	0.00%
ICICI Bank Ltd [#]	-	0.00%	31,290	0.36%	(0.36%)
Nymph Properties Private Limited [#]	1,60,000	1.86%	1,60,000	1.86%	0.00%
Mukul Taparia [*]	14,00,582	16.29%	13,63,737	15.86%	0.43%
Sharad Jaiprakash Taparia [*]	13,84,912	16.11%	13,40,067	15.58%	0.53%
Jaiprakash Hanumanbux Taparia [#]	6,19,234	7.20%	6,06,081	7.05%	0.15%
Yamini Taparia [#]	86,130	1.00%	78,130	0.91%	0.09%
Shreya Taparia [#]	1,200	0.01%	-	0.00%	0.01%

*Promoter

#Promoter Group

The above details are as certified by the Registrar and Share Transfer Agents .

15: OTHER EQUITY

(₹ in Crores)

Particulars	March 31, 2026	March 31, 2025
Securities Premium Reserve		
Opening Balance	2.80	2.80
Add/Less:	-	-
Closing Balance	2.80	2.80
General Reserve		
Opening Balance	-	-
Add/Less: Transferred to Surplus in Statement of Profit & Loss	-	-
Closing Balance	-	-
Retained Earnings		
Opening Surplus in the Statement of Profit and Loss	134.60	120.99
Add: Profit/(Loss) of the year	20.69	15.16
Less: Dividend for FY 24-25/2023-24	(1.72)	(1.55)
Closing Balance	153.57	134.60
Total - Other Equity	156.37	137.40

Notes: The Board of Directors, in their meeting on May 23, 2025, have proposed a final dividend of ₹2.00/- per equity share for the financial year ended March 31, 2025 and same was approved by shareholders at the Annual General Meeting held on August 7, 2025.

Statement showing changes in Equity for the period ended March 31, 2026**A. Equity Share Capital**

(₹ in Crores)

Balance as at April 1, 2025	Changes in equity share capital during the FY 2025-26				Balance as at March 31, 2026
8.60	-	-	-	-	8.60

B. Other Equity

(₹ in Crores)

Particulars	Reserves and Surplus			Exchange difference on translating Financial Statements of a foreign operations	Total
	General Reserve	Securities Premium Reserve	Retained Earnings		
Balance as at April 1, 2025	-	2.80	134.60	-	137.40
Changes in accounting policy or prior period errors	-	-	-	-	-
Restated balance at the beginning of the reporting period	-	2.80	134.60	-	137.40
Total Comprehensive Income for the year	-	-	20.69	-	20.69
Transfer to retained earnings	-	-	-	-	-
Remeasurements of the defined benefit plans	-	-	-	-	-
Any other change (Dividend Paid)	-	-	(1.72)	-	(1.72)
Balance as at March 31, 2026	-	2.80	153.57	-	156.37

Statement showing changes in Equity for the period ended as at March 31, 2025**A. Equity Share Capital**

(₹ in Crores)

Balance as at April 1, 2024	Changes in equity share capital during the year				Balance as at March 31, 2025
8.60	-	-	-	-	8.60

B. Other Equity

(₹ in Crores)

Particulars	Reserves and Surplus			Exchange difference on translating Financial Statements of a foreign operations	Total
	General Reserve	Securities Premium Reserve	Retained Earnings		
Balance as at April 1, 2024	-	2.80	120.99	-	123.79
Changes in accounting policy or prior period errors	-	-	-	-	-
Restated balance at the beginning of the reporting period	-	2.80	120.99	-	123.79
Total Comprehensive Income for the year	-	-	15.16	-	15.16
Transfer to retained earnings	-	-	-	-	-
Remeasurements of the defined benefit plans	-	-	-	-	-
Any other change (Dividend Paid)	-	-	(1.55)	-	(1.55)
Balance as at March 31, 2025	-	2.80	134.60	-	137.40

16: BORROWINGS

(₹ in Crores)

Particulars	March 31, 2026	March 31, 2025
Term Loan		
Rupee Loan from Bank* (Long Term)	20.03	8.52
Central Excise loan**	1.76	1.76
Sub-Total	21.79	10.28
Less: Current Maturities of long term borrowings	(2.76)	(2.17)
Total - Borrowings	19.03	8.11
The above amount includes		
Secured Borrowings	19.03	8.11
Unsecured Borrowings	-	-
Secured by Personal Guarantee by Director relative's (see note below)	19.40	8.52

(₹ in Crores)

Particulars	Carrying amount as at		Effective interest rate	Security Details	Repayment terms
	March 31, 2026	March 31, 2025			
Term Loan - Central Bank of India	10.86	-	interest on the outstanding Term Loan at the rate of RBLR+0.90 Plus 0.30% per annum, presently 9.45% per annum, subject to variation with changes in the RBLR and RBI guidelines from time to time	First Charge by way of Hypothecation over Plant & Machinery and other Fixed Assets at both Project Locations as more fully described in Schedule B and the Deed of Hypothecation	The Period of 60 months commencing from the date of first repayment, during which the Principal amount shall be repaid in structured installments as detailed in Schedule A
Term Loan - State Bank of India ¹	3.21	4.39	Interest at 1.75% above EBLR rate. Present effective rate 10.90% (at the time of loan)	Hypothecation of entire Plant & Machinery of the company created out of bank finance	60 month commencing from 10/01/2024 EMI 10,11,880/-
Term Loan - State Bank of India ²	3.20	4.14	Interest at 1.75% above EBLR rate. Present effective rate 10.90% (at the time of loan)	Hypothecation of entire Plant & Machinery of the company created out of bank finance	60 month commencing from 15/11/2024 EMI 7,96,610/-
Term Loan - State Bank of India ³	2.13	-	Interest at 0.50% above EBLR rate. Present effective rate 10.40%	Hypothecation of entire Plant & Machinery of the company created out of bank finance	A moratorium of 3 months from the date of first disbursement thereafter repayment in 60 equal monthly installments from 27/10/2025 EMI 4,22,000/-.
Car Loan - Bank of Baroda	0.22	-	8.50% per annum floating payable monthly	Hypothecation of respective vehicle	60 month commencing from 10/09/2025 EMI 50,266/-
Car Loan - Bank of Baroda	0.13	-	8.50% per annum floating payable monthly	Hypothecation of respective vehicle	60 month commencing from 10/07/2025 EMI 31431/-
Car Loan - Bank of Baroda	0.13	-	8.50% per annum floating payable monthly	Hypothecation of respective vehicle	60 month commencing from 10/07/2025 EMI 31431/-
Car Loan - Saraswat Car Loan	0.15	-	8.40% per annum payable monthly	Hypothecation of respective vehicle	60 month commencing from 10/03/2026 EMI 30703/-
Int Accrued & Due on Ex.Loan	1.76	1.76			

Note: SBI term loan facilities 1,2 & 3 are further secured by personal guarantee of relatives of MD of the company.

16.2 Details of defaults as at year end in repayment of Term Loans are as follows:

(₹ in Crores)

Name of Bank	March 31, 2026	March 31, 2025
Central Excise Loan - ICICI Bank **	1.76	1.76

**During FY 2017-18, Company repaid entire principal amount of Central Excise loan of ICICI Bank but Interest is not paid so default persist to the extent of interest amount till the last payment of principal of loan.

17: LEASE LIABILITIES

(₹ in Crores)

Particulars	March 31, 2026	March 31, 2025
Lease Liability*	11.05	5.70
Total - Other Financial Liabilities	11.05	5.70

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

18: PROVISIONS

(₹ in Crores)

Particulars	March 31, 2026	March 31, 2025
Provision for Gratuity	2.08	0.51
Provision for Leave Encashment	0.42	0.29
Total - Provisions	2.51	0.80

19: BORROWINGS

(₹ in Crores)

Particulars	March 31, 2026	March 31, 2025
Rupee Loan from Banks (Short Term)	0.71	1.10
Current maturities of long term borrowings	2.76	2.17
Total - Borrowings	3.47	3.27
The above amount includes	-	-
Secured Borrowings	3.47	3.27
Unsecured Borrowings	-	-
Secured by Personal Guarantee by Promoters/Directors/relatives	3.47	3.27

19.1

Rupee currency Loans taken from State bank of India, are secured by Hypothecation of Stocks, Receivables and Other Current Assets, present and future under consortium. These working capital facilities are further secured against Fixed deposit of ₹3.08 Crore plus interest accrued thereon and Hypothecation of entire fixed assets of the company (excluding Borivali land & Building). rate of interest is EBLR+0.70% = 9.1% and payable on demand. Further these facilities are secured by personal guarantees of MD's relatives.

19.2

The portion of working capital limits from Central Bank of India is secured first pari-passu charge by way of Hypothecation on Stocks, domestic receivable & export receivable and first pari-passu charge on entire fixed assets of the company (excluding Borivali property) facilities is further secured by fixed deposits of ₹4.73 Crore, rate of interest is RBLR+0.45% = 9.80% and payable on demand. Further these facilities are secured by personal guarantees of MD's relatives.

20: TRADE PAYABLES (CURRENT)

(₹ in Crores)

Particulars	March 31, 2026	March 31, 2025
Micro Small & Medium Enterprises*	6.02	3.63
Others Trade Payables	22.55	16.31
Total - Trade Payables	28.57	19.94

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

20: TRADE PAYABLES (CURRENT) (Contd.)

(₹ in Crores)

Particulars	March 31, 2026	March 31, 2025
a. (i) The principal amount remaining unpaid to any supplier at the end of accounting year	6.02	3.63
(ii) The interest due on above	-	-
Total of (i) & (ii) above	6.02	3.63
b. Amount of interest paid by the buyer in terms of Section 18 of the Act	Nil	Nil
c. The amounts of payment made to the supplier beyond the due date	Nil	Nil
d. The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the due date during the year) but without adding the interest specified under the Act.	Nil	Nil

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

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

(₹ in Crores)

Particulars	Outstanding for following periods from due date of payment				
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years
MSME	5.85	0.17	-	-	-
Others	18.16	3.26	-	0.12	1.01
Disputed dues-MSME	-	-	-	-	-
Disputed dues-Others	-	-	-	-	-
Total	24.01	3.43	-	0.12	1.01

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

(₹ in Crores)

Particulars	Outstanding for following periods from due date of payment				
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years
MSME	3.07	0.56	-	-	-
Others	13.02	2.06	0.21	-	1.01
Disputed dues-MSME	-	-	-	-	-
Disputed dues-Others	-	-	-	-	-
Total	16.10	2.62	0.21	-	1.01

21: OTHER FINANCIAL LIABILITIES

(₹ in Crores)

Particulars	March 31, 2026	March 31, 2025
Lease Liabilities*	3.87	2.90
Other Liabilities	0.51	0.43
Dividend Payable	0.29	0.22
Total - Other Financial Liabilities	4.67	3.56

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

22: OTHER CURRENT LIABILITIES

(₹ in Crores)

Particulars	March 31, 2026	March 31, 2025
Withholding & Other taxes payable	0.79	0.29
Advances received from Customers	1.97	1.78
Total - Other Current Liabilities	2.76	2.07

23: PROVISIONS

(₹ in Crores)

Particulars	March 31, 2026	March 31, 2025
Provision for Gratuity	0.04	0.01
Provision for Leave Encashment	-	-
Total - Provisions	0.04	0.01

24: CURRENT TAX LIABILITIES

(₹ in Crores)

Particulars	March 31, 2026	March 31, 2025
Provision for Income Tax*	1.27	0.46
Total - Current Tax Liability (Net)	1.27	0.46

*Provision for income tax is net of advance taxes/pre-paid taxes paid

25: REVENUE FROM OPERATIONS

(₹ in Crores)

Particulars	March 31, 2026	March 31, 2025
Sale of Products		
Cast Magnets & Magnetic Assembly	47.21	30.86
Engineering and Current Sensing applications	169.00	161.04
Sale of services		
Job work Sale	0.19	0.04
Total A	216.41	191.94
Other Operational Income		
Export Benefits	1.27	0.92
Sale of Residue	7.78	6.68
Total B	9.04	7.60
Total - Revenue From Operations	225.46	199.54

26: OTHER INCOME

(₹ in Crores)

Particulars	March 31, 2026	March 31, 2025
Other Miscellaneous Income	0.01	0.33
Profit/(Loss) on Sale of Assets	0.01	0.01
Interest Income	1.53	2.54
Interest on Security Deposit	0.14	0.08
Exchange differences (net)	4.50	1.59
Total - Other Income	6.20	4.54

27: COST OF MATERIALS CONSUMED

(₹ in Crores)

Particulars	March 31, 2026	March 31, 2025
Inventory at the beginning of the year	36.97	39.29
Add: Purchases (net)	120.10	109.34
	157.06	148.63
Less: Inventory at the end of the year	35.07	36.97
Total - Cost of raw material & components Consumed	122.00	111.66

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

(₹ in Crores)

Particulars	March 31, 2026	March 31, 2025
Inventory at the end of the year		
Work-in-progress (closing)	15.69	10.79
Finished goods (closing)	3.83	4.83
	19.53	15.62
Less:		
Inventory at the beginning of the year		
Work-in-progress (opening)	10.79	9.20
Finished goods (opening)	4.83	5.93
	15.62	15.13
Total - Change In Inventories Of Wip And Finished Goods	(3.91)	(0.49)

29: EMPLOYEE BENEFITS EXPENSE

(₹ in Crores)

Particulars	March 31, 2026	March 31, 2025
Contribution to PF & Other Fund	0.42	0.39
Gratuity Expenses	0.21	0.08
Salaries, Wages & Bonus	13.63	11.27
Staff Welfare Expenses	0.46	0.45
VRS Compensation	-	-
Total - Employee Benefit Expenses	14.72	12.19

30: FINANCE COSTS

(₹ in Crores)

Particulars	March 31, 2026	March 31, 2025
Interest	0.92	0.91
Other Borrowing cost*	0.49	0.33
Exchange difference on borrowings (net)	(0.14)	(0.42)
Interest on Lease Liabilities	1.72	0.98
LC & Bill Collection Charges	0.12	0.37
Total - Financial Cost	3.12	2.17

*includes Bank charges & BG Commission

31: DEPRECIATION AND AMORTIZATION EXPENSE

(₹ in Crores)

Particulars	March 31, 2026	March 31, 2025
Depreciation	8.22	6.24
Amortisation	0.05	0.10
Depreciation on Right of use assets	4.36	3.00
Total - Depreciation & Amortised Cost	12.63	9.33

32: OTHER EXPENSES

(₹ in Crores)

Particulars	March 31, 2026	March 31, 2025
Manufacturing Expenses		
Consumption of Stores, Spares & Consumables	10.04	7.53
Freight Inward	0.89	0.59
Sub-Contract Charges & Labour Charges	19.21	16.92
Repairs & Maintenance - Machinery	0.65	0.56
Tool Cost expenses	-	0.04
Power & Fuel Charges	5.44	5.26
A	36.22	30.90
Selling & Distribution Expenses		
Advertising & Sales Promotion Expenses	0.27	0.12
Commission to Sale	1.85	2.44
Freight Outward & Transportation	4.26	4.80
Hiring charges	0.09	0.03
B	6.47	7.40
Administrative & Other Expenses		
Advertisement	0.01	0.01
Auditors Remuneration	0.08	0.06
Bank Charges	0.31	0.04
Computer & Software Expenses	0.73	0.48
Directors' Sitting Fees	0.08	0.05
Travelling & Conveyance	0.93	1.44
Insurance	0.39	0.38
Printing & Stationery Expenses	0.13	0.14
Legal & Professional Charges	3.91	3.74
Miscl Exp	0.07	0.07
Rates & Taxes	0.68	0.87
Rent Exp	0.02	0.24
Security Service Charges	0.62	0.37
Communication Cost	0.18	0.20
Vehicle Running exp	0.21	0.21
Repairs - Building	0.91	0.98
Repairs - Others	0.12	0.11
Office Expense	0.54	0.43
Misc-Balance W/off	0.04	0.16
Listing and membership fee	0.03	0.03
Corporate Social Responsibility	0.61	0.64
Provision for Bad Debts	0.20	-
Impairment of Assets	0.06	-
Brokerage	0.11	-
C	10.97	10.65
Total - Other Expenses A+B+C	53.65	48.95

Payment to Auditor

(₹ in Crores)

Particulars	March 31, 2026	March 31, 2025
As Auditor		
- Audit Fee	0.06	0.06
- Tax Audit Fee	0.02	-
- Others	-	-
Certifications	-	-
Others Services	-	-
Total	0.08	0.06

(Note: Above Figures are Excluding GST)

33: EXCEPTIONAL ITEMS

(₹ in Crores)

Particulars	March 31, 2026	March 31, 2025
Gratuity	1.47	-
Leave Encashment	0.28	-
Total - Items That Will Not Be Reclassified To Profit Or Loss	1.74	-

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

(₹ in Crores)

Particulars	March 31, 2026	March 31, 2025
Remeasurements of the defined benefit plans	0.30	(0.01)
Others	-	-
Total - Items That Will Not Be Reclassified To Profit Or Loss	0.30	(0.01)

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

(₹ in Crores)

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

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

(₹ in Crores)

Particulars	March 31, 2026	March 31, 2025
Profit/(Loss) attributable to Equity shareholders	20.69	15.16
Weighted Average Number of Shares for Basic and Diluted EPS	85,98,453	85,98,453
Basic EPS (Amount in ₹)	24.06	17.63
Diluted EPS (Amount in ₹)	24.06	17.63

35: EARNINGS PER EQUITY SHARE (FOR DISCONTINUED OPERATION):

(₹ in Crores)

Particulars	March 31, 2026	March 31, 2025
Profit/(Loss) attributable to Equity shareholders	-	-
Weighted Average Number of Shares for Basic and Diluted EPS	-	-
Basic EPS (Amount in ₹)	-	-
Diluted EPS (Amount in ₹)	-	-

35: EARNINGS PER EQUITY SHARE (FOR DISCONTINUED & CONTINUING OPERATIONS):

(₹ in Crores)

Particulars	March 31, 2026	March 31, 2025
Profit/(Loss) attributable to Equity shareholders	20.69	15.16
Weighted Average Number of Shares for Basic and Diluted EPS	85,98,453	85,98,453
Basic EPS (Amount in ₹)	24.06	17.63
Diluted EPS (Amount in ₹)	24.06	17.63

Significant Accounting Policies And Notes On Accounts

CORPORATE INFORMATION

Permanent Magnet Limited (PML) is one of the flagship Companies of Taparia Group, Mumbai and one of the leading manufacturers of Cast Alloy Permanent Magnets, Parts and accessories of electricity and electric vehicle parts in the world. PML also supplies Gas meters parts and accessories. The assembly includes Die cast parts, Plastic parts, Brass parts, Bi-metal parts, Stainless steel parts and special copper alloy and nickel alloy parts. The combination of these parts fitted together is further aligned under special conditions to be directly used in gas meters. PML is adding a similar range of products and forward integration of parts to assemblies in current business based on customer demand. Company has good customer base in India as well as in Europe, USA, South America and South-East Asia. Permanent Magnets Limited (the 'Company') is listed on the Bombay Stock Exchange (BSE). The Significant Accounting Policies are as follows:

PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS

A. Basis of Preparation

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

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

B. Operating cycle for current and non-current classification

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

C. Use of Estimates and Judgements

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

accounting estimates are recognized in the period in which the estimates are revised, and by giving prospective impact in the standalone financial statements.

D. Segment reporting

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

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

E. Foreign currency translation

i) Functional and presentation currency

Items included in the Standalone financial statements are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The Standalone financial statements are presented in Indian rupee (₹), which is the Company's functional and presentation currency.

ii) Transactions and balances

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

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

F. Revenue Recognition

Effective from April 1, 2018, the company adopted Ind AS 115 "Revenue from Contracts with Customers" using the cumulative catch-up transition method, applied to contracts that were not completed as of April 1, 2018. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. In accordance with the cumulative catch-up transition method, the comparatives have not been retrospectively adjusted. The effect on adoption of Ind AS 115 was insignificant.

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

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

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

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

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

G. Taxation

Current Income tax

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

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

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

Deferred tax

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

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

H. Leases

As a lessee

Initial measurement

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

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

Subsequent measurement

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

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

Impairment

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

Short term Lease

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

As a lessor

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

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

I. Impairment of Non-Financial Assets

Property, plant, and equipment (PPE), right-of-use (ROU) assets, and intangible assets are evaluated for recoverability at each balance sheet date, or whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

For the purpose of impairment testing, the recoverable amount is determined. The recoverable amount of an asset or a cash-generating unit (CGU) is the higher of its fair value less costs of disposal (FVLCD) and its value in use (VIU). If the carrying amount of an asset or CGU exceeds its estimated recoverable amount, an impairment loss is recognized immediately in the Statement of Profit and Loss.

Allocation of Impairment Losses:

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

Reversal of Impairment Losses:

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

J. Cash and cash equivalents

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

K. Trade receivables

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

L. Inventories

- Raw materials and stores, work-in-progress, traded and finished goods are stated at the lower of cost and net realizable value.
- Cost of raw materials and traded goods comprise of cost of purchase.
- Cost of work-in-progress and manufactured finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the later being allocated on the basis of normal operating capacity.
- Cost of inventories also includes all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory on a weighted average basis. Costs of purchased inventory are determined after deducting rebates and discounts.

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

M. Financial Instruments

(i) Financial assets

Initial recognition and measurement

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

Subsequent measurement

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

- Financial assets at fair value
- Financial assets at amortized cost

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

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

- Business model test:** The objective of the company's business model is to hold the financial asset to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realize its fair value changes).
- Cash flow characteristics test:** The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

- **Business model test:** The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flow and selling financial assets.
- **Cash flow characteristics test:** The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

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

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

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

Derecognition

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

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either:
 - (a) The company has transferred substantially all the risks and rewards of the asset, or
 - (b) The company has either transferred substantially all the risks and rewards of the asset but has transferred control of the asset.

When the company has transferred its rights to receive cash flow from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and

rewards of the asset, nor transferred control of the asset, the company continues to recognize the transferred asset to the extent of the company's continuing involvement. In that case, the company also recognises an associated liability. The transferred assets and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

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

Impairment

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

Effective interest method

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

(ii) Financial liabilities and equity instruments

Classification as debt or equity

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

Equity Instruments

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

Financial Liabilities

Initial recognition and measurement

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

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

Subsequent measurement

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

Financial liabilities at fair value through profit or loss

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

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

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

Loans and borrowings

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

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

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

Derecognition

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

Reclassification of Financial Instruments

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

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

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

N. Offsetting financial instruments

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

O. Property, plant and equipment

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

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

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

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

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

Depreciation/Amortization methods, estimated useful lives and residual value

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

The estimated useful lives are as mentioned below:

Name of Assets	Life as per management
Plant & Machinery	From 2 years to 25 years*
Furniture & Fixtures - Cabin & Aluminium Section	15 Years*
Laptop, Scanner & Monitors	From 3 years to 5 Years*

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

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

P. Intangible assets

a) Recognition

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

b) Amortization methods and periods

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

Q. Trade and other payables

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

R. Borrowings

Borrowings are initially recognized at fair value, net of transaction cost incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all the facility will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortized over the period of the facility to which it relates.

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

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

S. Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for

its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

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

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

T. Exceptional Items

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

U. Provisions

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

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

V. Employee benefits

i. Short-term obligations

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

ii. Other long-term employee benefit obligations

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured at the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligations.

Remeasurements as a result of the experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

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

iii. Post-employment obligations

The Company operates the following post-employment schemes:

- (a) Defined benefit plans such as gratuity; and
- (b) Defined contribution plans such as provident fund and superannuation fund.
- (c) Defined benefit plans such as Leave encashment.

Gratuity & Leave Encashment obligations

The liability or assets recognised in the balance sheet in respect of gratuity & Leave Encashment plans are the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

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

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

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

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

Defined contribution plans

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

iv. Bonus plans

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

W. Contributed equity

Equity shares are classified as equity.

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

X. Dividends

Provision is made for the amount of any dividend declared, being appropriately authorized and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

Y. Provision for doubtful debts

The Management reviews on a periodical basis the outstanding debtors with a view to determine as to whether the debtors are good, bad or doubtful after taking into consideration all the relevant aspects. On the basis of such review and in pursuance of other prudent financial considerations the management determines the extent of provision to be made in the accounts.

Z. Earnings per share

i. Basic earnings per share

Basic earnings per share are calculated by dividing:

- The profit attributable to owners of the company.
- By the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

ii. Diluted earnings per share

Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account:

- The after-income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

I. NOTES TO ACCOUNTS:

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

2. Contingent Liabilities:

		(₹ in Crores)	
Particulars		31.03.26	31.03.25
a) Unutilized Letters of Credit with Bankers		5.13	Nil
b) Bank Guarantee		0.16	0.11
c) Capital Commitment (PPE)		4.13	-
d) Labour cases in the court for reinstatement and/or higher compensation, which in the opinion of the management demand no provision of liability than what is recorded in accounts.		0.08	0.07
e) The Exercise Department has rejected the appeal filed by the company and has raised demand as regards inter-unit transfers. The Company has filed an appeal against the said order in CESTAT and has made payment of ₹0.05 Crore for the stay order. Stay order against recovery of the dues has been granted. In the opinion of the Company's Consultant, since there is no suppression of facts by the Company, the penalty imposed will be quashed. In case the case is decided against the Company, there will be no actual outflow to the Company due to the availability of Cenvat credit. Further, in similar cases, the Commissioner of Central Excise has ruled in favour of the company and has set aside the show's cause notices.			
Duty Demanded		0.32	0.32
Penalty		0.32	0.32
f) Interest on Central Excise loan (Operated through ICICI).			
In 1995-96, company has taken interest free loan under the Excise relief scheme as approved by the Government of India and said loan was disbursed By designated financial institutions.			
ICICI, the Operating Agency raised certain demands towards the installments repaid with delay. The Company has provided simple interest on repayment of these delayed installments, which may be reversible if the Central Government doesn't demand during settlement. Additional interest if claimed by the government, will be payable. However, the management does not expect any liability on that account.		22.01*	22.01*
Company had approached ministry of finance, government of India for instruction of settlement of account as one time settlement, and as per information, same is under consideration. Disbursing agency ICICI, has also forwarded Settlement proposal to the ministry on 30 th July, 2013 vide letter bearing reference no SSG/NA/2013-14/324 for seeking the directions.			
In view of the above situation, management does not feel any extra liability towards interest on the interest-free excise loan. The management of PML is providing simple interest on outstanding dues of the above loan even though this was interest free. Loan Principal Amount repaid on during FY 17-18.			
g) Corporate guarantee issued for subsidiary company for EPCG license (export obligation)		0.83	0.83

*Management has tried to resolve the issues of Central Excise Loan with higher authorities of Ministry of Finance, Government of India and made various representations, but did not get proper response as above scheme has been over and no proper documents are available with ministry of finance, Government of India. The management of PML is providing simple interest on outstanding dues of the above loan even though this was interest free. The Company has been repaid balance Principal Amount of the loan during FY 17-18.

3. Honorable Bombay High Court has passed winding up order on the petition of M/s Savino Del Beno "Petitioner" (Freight forwarder agent & CHA of company).

Facts of the case - During the year 2010, Petitioner has raised bills for their services but failed to submit Original EP copy to the company, which is essential documents to claim Excise rebate, and accordingly the company withheld their payment. Subsequently, the petitioner has filed a winding up petition against the Company of dues of ₹0.13 crore. Honorable Mumbai High Court has passed an order allowing the petition and issued directions for the appointment of the official liquidator in winding up order.

On appeal against this order made by the company before Honorable Bombay High Court, Honorable Bombay High Court has given an interim stay order against the winding up order passed (against the Company) dated April 15, 2015. The company has deposited ₹0.19 crore with interest as per direction of honorable Bombay High Court. The matter is pending before the Bombay High Court. Next hearing in this matter shall come up as per listing of the court.

The amount deposited of ₹0.19 crore with court is shown in the Balance sheet under Current Assets.

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

5. During the year ₹4.50 Crores (P. Y. ₹1.59 Crores) has been credited to the Statement of Profit and Loss in respect of the Foreign Exchange Differences.

6. Segment reporting

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

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

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

7. Leases: Effective date and transition

Effective April 1, 2019 the Company has adopted Ind AS 116 Leases. Company applies retrospectively with the cumulative effect of initially applying the Standard recognized at the date of initial application. Company measure lease liability at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate at the date of initial application, and measure that right-of-use asset an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognized in the balance sheet immediately before the date of initial application. The company is following SLM method for depreciation on Right of use assets over lease terms.

A) The following is the movement in lease liabilities

Particulars	(₹ in Crores)	
	31.03.2026	31.03.2025
Opening Balance as on 1 st day of year	8.60	6.24
Additions	9.83	4.89
Finance cost accrued during the period	1.72	0.98
Payment of lease liabilities	5.24	3.51
Closing Balance as on last day of year	14.91	8.60

B) Maturity Analysis of Lease Liabilities

Maturity analysis-Contractual undiscounted cashflows	(₹ in Crores)	
	31.03.2026	31.03.2025
Less than one year	3.87	2.90
One year to five years	11.04	5.70
More than five years	-	-
Total Undiscounted lease liabilities	14.91	8.60
Lease liabilities included in the statement of financial position		-
Non-Current	11.04	5.70
Current	3.87	2.90
Total	14.91	8.60

C) Amount Recognised in the Statement of profit and loss

(₹ in Crores)

Particulars	31.03.2026	31.03.2025
Interest on Lease Liabilities	1.72	0.98
Depreciation on Lease Asset	4.36	3.00
Rent Expenses-short-term leases and leases of low value assets	0.012	0.002

8. Related Party Disclosure

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

Sr. No.	Name of the Related Parties	Nature of Relationship
Key Managerial Personnel		
1	Sharad Taparia	Managing Director
2	Sukhamal Jain	Chief Financial Officer
3	Rachana Sawant	Company Secretary
Non-Executive Directors		
4	Nirmal Kumar Jain	Independent Director
5	Kamal Binani	Independent Director
6	Sunaina Taparia	Director
7	Mukul Taparia	Director
8	Girish Desai	Director
Enterprises in which key managerial personnel and/or their relatives are able to exercise significant influence:		
1	Pregna International Limited	
2	Megh Exim LLP	
3	NYMPH Properties Private Limited	
4	Quantum Magnetics Private Limited	Wholly Owned Subsidiary
Relative of Key Managerial Personnel		
1	Nandini Taparaia	Relative of Managing Director

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

(₹ in Crores)

Names of Related Parties	Name of the Related Parties	Year ended March 31, 2026		Year ended March 31, 2025	
		Transaction during year	Closing balance	Transaction during year	Closing balance
Sharad Taparia	Remuneration	1.77	-	1.05	-
Sukhamal Jain	Remuneration	0.48	-	0.47	-
Rachana Sawant	Remuneration	0.13	-	0.11	-
Nandini Taparia	Remuneration	0.04	-	-	-
Rajeev Mundra	Sitting fees	-	-	0.01	-
Kamal Binani	Sitting fees	0.02	-	0.01	-
Sunaina Taparia	Sitting fees	0.01	-	0.01	-
Mukul Taparia	Sitting fees	0.02	-	0.01	-
Girish Desai	Sitting fees	0.01	-	0.01	-
Nirmal Kumar Jain	Sitting fees	0.02	-	0.01	-
Quantum Magnetics Private Limited	Loan Given	2.97	2.73	4.83	6.16
	Loan Repaid	7.01		Nil	
	Interest received (net of TDS)**	0.52		0.02	0.00*
	Expenses incurred on behalf of the company	0.08		-	
	Reimbursement received	-		0.01	
	Guarantee for EPCG License	-		-	

*Amount is less than 1 Lakh.

**TDS amount ₹5.78 lakh

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

I. Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. The amount of gratuity payable on retirement/termination is the employees' last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The company contribution "on the basis of actuarially ascertained by the Independent Actuaries" is charged to profit and loss accounts. The amount debited to profit, and loss account is ₹0.21 Crores. Past service cost due to applicability of New Labour code is ₹1.74 Crores.

Other long-term employee benefits:

II. Leave encashment

The Company provides for the expected cost of accumulating paid leave which can be carried forward and used in future periods by the employees. The obligation to accumulate paid leaves has been recognized at the end of the reporting period.

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

(₹ in Crores)

Particulars	2025-26		2024-25	
	Leave Encashment	Gratuity	Leave Encashment	Gratuity
	(Unfunded)	(Unfunded)	(Unfunded)	(Unfunded)
A) Actuarial assumption				
i) Discounting rate	7.25%	7.25%	6.75%	6.75%
ii) Future salary increases	5.00%	5.00%	5.00%	5.00%
iii) Expected rate of return on plan assets	-	-	-	-
iv) Retirement age (in Years)	60	60	60	60
v) Mortality rates up to Retirement age	IALM 2012-14 Ult	IALM 2012-14 Ult	IALM 2012-14 Ult	IALM 2012-14 Ult
B) Expenses recognised in the statement of profit and loss				
i) Current service cost	0.22	0.17	0.14	0.05
ii) Net interest cost	0.02	0.03	0.02	0.03
iii) Past Service cost	-	1.47	-	-
iv) Expected return on plan assets	-	-	-	-
v) Net actuarial (gain)/loss recognized in the period	(0.25)	(0.05)	(0.06)	0.01
vi) Expenses recognized in the statement of Profit & Loss	(0.50)	1.67	(0.06)	0.08
C) Recognised in other comprehensive income				
i) Actuarial (gain) loss arising on assets	-	-	-	-
ii) Actuarial (gain)/loss on PBO arising from:	-	-	-	-
Change in demographic assumptions	-	-	-	-
Change in financial assumptions	(0.00)*	(0.13)	0.01	0.02
Change in experience assumptions	(0.25)	0.08	(0.07)	(0.02)
iii) Net (gain)/loss recognised in other comprehensive income	(0.25)	(0.05)	(0.06)	0.01
D) Change in present value of obligation				
i) Present value of obligation as at year beginning	0.29	0.52	0.22	0.44
ii) Interest cost	0.02	0.03	0.02	0.03
iii) Current service cost	0.22	0.17	0.14	0.05
iv) Past service cost incl. Curtailment gains and loss	0.28	1.47	-	-
v) Benefits paid	(0.13)	(0.02)	(0.03)	(0.01)
Actuarial (gain)/loss on PBO arising from:	-	-	-	-
Change in demographic assumptions	-	-	-	-
Change in financial assumptions	(0.00)*	(0.13)	0.01	0.03
Change in experience assumptions	(0.25)	0.08	(0.07)	(0.02)
vi) Present value of obligation as at year end	0.43	2.12	0.29	0.52

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

(₹ in Crores)

Particulars	2025-26		2024-25	
	Leave Encashment	Gratuity	Leave Encashment	Gratuity
	(Unfunded)	(Unfunded)	(Unfunded)	(Unfunded)
E) Change in fair value of plan assets				
i) Fair value of plan assets at year beginning	-	-	-	-
ii) Actual return on plan assets	-	-	-	-
iii) Contributions	-	-	-	-
iv) Fund management charges (FMC)	-	-	-	-
v) Benefits paid	-	-	-	-
vi) Actuarial gain/(loss) on plan assets	-	-	-	-
vii) Fair value of plan assets at year end	-	-	-	-
F) Liability/(Assets) recognized in Balance Sheet	0.43	2.12	0.29	0.52
i) Within the next 12 months (next annual reporting period)	0.00*	0.04	-	0.01
ii) Between 1 and 5 years	0.04	0.33	0.02	0.12
iii) Beyond 5 years	0.20	1.21	0.04	0.19
iv) Total Expected Payments	0.06	1.58	0.06	0.32

*Amount is less than 1 Lakh.

10. Component Accounting for Fixed Assets:

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

11. Segment Reporting:

As the Company operates mainly in one Business Segment, i.e. Engineering and Current Sensing applications, hence are considered to be a single primary business segment. There have been no other reportable segments identified by the Chief Operating Decision Maker, and hence no segment reporting is presented under IND AS 108.

12. Impairment of Assets:

During the financial year 2025-26, the Company performed an impairment evaluation of certain assets within its Property, Plant, and Equipment vertical, following internal reviews that indicated a potential reduction in economic utility.

Consequently, an impairment loss of ₹0.06 Crore (Previous Year: Nil) has been recognized in the Statement of Profit and Loss under the line item 'Other Expenses'.

13. Disclosure as per amendment Listing Regulations:

(₹ in Crores)

Sr. No.	Name of the Parties	Maximum balance outstanding during the year ended		Outstanding Balance as on	
		31.03.26	31.03.25	31.03.26	31.03.25
1.	Loans to Subsidiary Co.	2.73	6.17	2.73	6.17
2.	Unsecured Loans given where there are no Repayment Schedule	-	-	-	-

14.

a) Purchases of Finished Goods:

Particulars	Amount (₹ in Crore)	
	2025-26	2024-25
Purchases of Finished Goods:	Nil	Nil

b) Expenditure and earnings in Foreign Currencies:**A. CIF Value of Imports:**

(₹ in Crores)

Particulars	2025-26	2024-25
Raw Materials & component	53.01	62.20
PPE	6.12	2.27

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

Particulars	2025-26		2024-25	
	Amount (₹ in Crore)	%	Amount (₹ in Crore)	%
Raw Materials				
Imported	46.10	37.79	56.07	49.36
Indigenous	75.90	62.21	55.59	50.64
Total	122.00	100.00	111.66	100.00

C. Expenditure in foreign currencies incurred during the year:

(₹ in Crores)

Particulars	2025-26	2024-25
1. Travelling Expenses	0.45	0.96
2. Others	0.50	0.27
3. Financial Charges	0.28	0.20

D. Earnings in foreign currencies during the year:

(₹ in Crores)

Particulars	2025-26	2024-25
1. FOB Value of Exports	106.05	102.52

15. Corporate Social Responsibility (CSR)

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, healthcare, women empowerment, measures for the benefit of war widows and contributions to incubators has been formed by the company as per the Act. The funds were primarily allocated to a corpus and utilised through the year on these activities which are specified in schedule VII of the Companies Act, 2013.

The amount of expenditure to be spent on CSR activities and financial details as per the Companies Act, 2013 for the F.Y 2025-26 are as under:

(₹ in Crores)

Particulars	2025-26	2024-25
(i) Amount required to be spent by the Company during the year	0.61	0.64
(ii) Amount spent towards CSR Activities	0.61	0.64
(iii) Shortfall at the end of the year	Nil	Nil
(iv) total of previous years shortfall,	Nil	Nil
(v) reason for shortfall,	NA	NA
(vi) nature of CSR activities,		
Promoting Education, Healthcare, rural development and other key allied social initiatives.		
(vii) details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard.	NA	NA
(viii) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately.	NA	NA

16. Financial instruments and risk management

Fair values

- The carrying amounts of trade payables, other financial liabilities (current), borrowings (current), trade receivables, cash and cash equivalents, other bank balances and loans are considered to be the same as fair value due to their short-term nature.
- Borrowings (non-current) consists of loans from banks and government authorities, other financial liabilities (noncurrent) consist of interest accrued but not due on deposits other financial assets consist of employee advances where the fair value is considered based on the discounted cash flow.

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

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

Particulars	As at 31.03.2026		As at 31.03.2025	
	Carrying Amount	*Fair Value	Carrying Amount	*Fair Value
Financial Assets				
Measure at amortised cost:				
Non-Current				
(i) Investment	0.05	0.05	0.05	0.05
(ii) Loans	2.16	2.16	1.03	1.03
(iii) Bank Balances	0.29	0.29	1.47	1.47
Current				
(i) Trade Receivables	54.68	54.68	39.24	39.24
(ii) Cash and Cash Equivalents	11.79	11.79	4.48	4.48
(iii) Bank Balances	19.40	19.40	14.60	14.60
(iv) Loans	4.19	4.19	9.07	9.07
Measured at fair value through profit and loss				
Non-Current	-	-	-	-
Total	92.56	92.56	69.94	69.94
Financial Liabilities				
Measured at amortised cost				
Non-Current				
Borrowings	19.03	19.03	8.11	8.11
Lease Liabilities	11.05	11.05	5.70	5.70
Provisions	2.51	2.51	0.80	0.80
Other Non - Current Liabilities	-	-	-	-
Current				
Borrowings	3.47	3.47	3.27	3.27
Trade Payables	28.57	28.57	19.94	19.94
Lease Liabilities	3.87	3.87	2.90	2.90
Other Financial Liabilities	0.80	0.80	0.65	0.65
Total	69.31	69.31	41.73	41.73

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

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

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

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

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

17. Financial risk management

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

(A) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of currency risk, interest rate risk and price risk. Financial instruments affected by market risk include loans and borrowings, trade receivables and trade payables involving foreign currency exposure. The sensitivity analyses in the following sections relate to the position as at March 31, 2026, and March 31, 2025.

The analysis excludes the impact of movements in market variables on the carrying values of financial assets and liabilities.

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

(i) Foreign currency exchange rate risk

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

(ii) Interest rate risk

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

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

(B) Credit Risk

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

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

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

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

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including default risk associate with the industry and country in which customers operate. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment.

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

18. Event occurring after the balance sheet date

The Board of Directors has recommended an Equity dividend of ₹2.20/- per share on face value of ₹10/- each, for the financial year 2025-26. The proposal is subject to the approval of shareholders at the Annual General Meeting. On approval, the total dividend outgo is expected to be ₹1.89 Crore based on number of shares outstanding as on March 31, 2026.

19. Other Disclosures

- (a) Relationship with Struck off Companies - The Company does not have any transactions or relationships with any companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956.
- (b) There are no transactions that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 which have not been recorded in the books of account.
- (c) There are no charges or satisfaction of charges yet to be registered with Registrar of Companies beyond the statutory period.
- (d) There is no Benami Property held under Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (e) There is no transaction in Crypto Currency or Virtual Currency,
- (f) The Company is not declared wilful defaulter by any bank or financial institution or lender during the year.
- (g) The Company has used the borrowings from banks and financial institutions for the specific purpose for which it was obtained.

- (h) The title deeds of all the immovable properties, (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the Standalone financial statements included in property, plant and equipment and capital work-in progress are held in the name of the Company as at the balance sheet date.
- (i) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries), or
 - (b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- (j) The Company has not received any funds from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries), or
 - (b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

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

21. Approval of Financial Statements

The financial statements were approved by the Board of Directors on May 13, 2026.

22. Ratios

Sr. No.	Ratios	Numerator	Denominator	Current Year March 31, 2026	Previous Year March 31, 2025	Change in %	Reason for more than 25% Variance
(a)	Current ratio (in times)	Total current Assets	Total current liabilities	3.70	4.40	(15.87%)	NA
(b)	Debt-equity ratio (in times)	Long term liabilities + short term borrowings + Lease liabilities (Long & Short term)	Total equity	0.23	0.14	64.28%	Due to increase in borrowings in FY 25-26, Ratio increased
(c)	Debt service coverage ratio (in times)	Earnings before debt service = Net profit after taxes + non cash operating expenses + Interest + Other non cash adjustments	Debt service = Interest + principle repayments + Repayment of lease liabilities	3.45	3.66	(5.82%)	NA
(d)	Return on equity ratio (in %)	Profit for the year	Average total equity	13.31%	10.89%	22.20%	NA
(e)	Inventory turnover ratio (in days)	Revenue from operations	Average total inventory	87.72	98.76	(11.18%)	NA
(f)	Trade receivables turnover ratio (in days)	Revenue from operations	Average trade receivables	76.03	72.19	5.33%	NA
(g)	Trade payables turnover (in days)	Raw material purchases + Fuel purchase + Other Manufacturing expenses	Average trade payables	55.96	60.46	(7.44%)	NA
(h)	Net capital turnover ratio (in days)	Revenue from operations	Average working capital (ie., Total current assets less Total current liabilities)	169.91	190.97	(11.03%)	NA
(i)	Net profit ratio (in %)	Profit for the year	Revenue from operations	9.18%	7.60%	20.82%	NA
(j)	Return on capital employed (in %)	Earning before tax and finance cost	Capital employed = Net worth + Deferred tax liabilities	11.20%	13.81%	(18.93%)	NA
(k)	Return on Investment	Income generated from invested funds	Average invested funds in treasury investments	NA	NA	NA	NA

For Jayesh Sanghrajka & Co LLP

Chartered Accountants
ICAI Firm Regd. No. 104184W/W100075

Hemant Kumar Agrawal

Designated Partner
M. No.: 403143
UDIN: 26403143AOMGYW2687

For and on Behalf of the Board

Sharad Taparia

Managing Director
DIN: 00293739

Mukul Taparia

Director
DIN: 00318434

Sukhmal Jain

Chief Financial officer

Rachana Sawant

Company Secretary
MRN: F13080

Place: Mumbai

Date: May 13, 2026

Independent Auditor's Report

To,
The Members of
Permanent Magnets Limited

Report on the Audit of Consolidated Financial Statements

OPINION

We have audited the accompanying consolidated financial statements of **Permanent Magnets Limited** (Hereinafter referred to as "the Holding Company") and its sole subsidiary (the Holding Company and its sole subsidiary together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2026 the Consolidated Statement of Profit and Loss (including other comprehensive income) consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended March 31, 2026 and notes to the consolidated financial statements, including material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements")

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ("The Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at March 31, 2026, its consolidated Profit, other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) issued by Institute of Chartered Accountants of India (ICAI) and 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 Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the ICAI together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind AS financial statements for the financial year ended March 31, 2026. These matters were addressed in the context of our audit of the Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. There are no significant key audit matters observed by us.

EMPHASIS OF MATTERS.

We draw attention to the following matters in the Notes to the consolidated financial statements:

- a. We draw attention to Note no. 3 of the notes to account of the financial statement, which states that Honorable Bombay High Court has given an interim stay order against the winding up order passed against the Company dated April 15, 2015.

The Honorable High Court of Bombay had passed a winding up order dated April 15, 2015 for the Winding up of the company on a petition filed by M/s. Savino Del Bene Freight Forwarders (I) Pvt. Ltd., and the court had issued directions for the appointment of an official liquidator in winding up the order.

On the appeal against this order made by the company before the Honorable Bombay High Court, the Honorable Bombay High Court has given an interim stay order against the winding up order passed (against the Company) dated April 15, 2015. The company has deposited ₹0.19 crore with interest as per the direction of the honorable Bombay High Court. The matter is pending before Bombay High Court and the next hearing in this matter shall come up as per the listing of the court.

The financial statements of the company have been prepared on a Going Concern Basis on reasons mentioned in note no. 3 of notes of accounts.

Our opinion is not modified in respect of these matters.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report but does not include the Consolidated Financial Statements and our auditor's report thereon.

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

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

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

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

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

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

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated 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 Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates and joint ventures 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 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 and its associates and joint ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated 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 Financial statements. We are responsible for the direction, supervision and performance of the audit of the Financial Statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entities included in the Consolidated 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 standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance of the Holding Company and such other entity included in the Consolidated Financial Statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the **"Annexure A"** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, based on our audit and on the consideration of the reports of the consolidated financial statements and other financial information of the sole subsidiary incorporated in India whose financial statements have been audited under the Act, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), Consolidated statement of changes in equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended including the Companies (Indian Accounting Standards) Amendment Rules, 2019.
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2026 taken on record by the Board of Directors of the Holding Company and its sole subsidiary company incorporated in India, none of the directors of the Group companies is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in **"Annexure B"**.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - I. The Group has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 2 of notes to accounts.
 - II. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - III. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its sole subsidiary company incorporated in India.
 - IV. (i) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group Companies to or in any other persons or entities, including

foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Group; or
 - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (ii) The management has represented, that, to the best of its knowledge and belief no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall
- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party; or
 - provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.
- iii. Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (d) (i) and (d) (ii) contain any material misstatement.

- V. a) The Holding Company has declared and paid dividend during the year in compliance with Section 123 of the Act.
- b) As stated in Note No. 17 of the Consolidated Notes to Accounts, the Board of Directors of the Holding company has proposed final dividend for the year, which is subject to approval of the members in the ensuing Annual General Meeting. The amount of dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.
- VI. Based on our examination, which included test checks, the Group has used accounting software for maintaining its books of accounts 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 of relevant prior years has been preserved for record retention to the extent it was enabled and recorded in those respective years by the Company as per the statutory requirements for record retention.

For Jayesh Sanghrajka & Co. LLP

Chartered Accountants

ICAI Firm Registration No. 104184W/W100075

Hemant Kumar Agrawal

Designated Partner

M. No.: 403143

UDIN: 26403143SBNDPZ4440

Place: Mumbai

Date: May 13, 2026

Annexure 'A'

TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

The '**Annexure B**' referred to in Independent Auditor's Report to the Members of the Holding Company on the Consolidated Financial Statements for the year ended March 31, 2026 we report that:

xxi. According to the information and explanation received, and based on the CARO report issued by us and the other auditors of the respective company included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the management of the Holding company, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said companies included in the consolidated financial statements.

As required by paragraph 3(xxii) of the CARO 2020, we report that their adverse remarks in paragraphs no. iii (a), vii (b) & ix (a) their CARO report on the standalone financial statements of Permanent Magnets Limited ("Holding Company").

For Jayesh Sanghrajka & Co. LLP

Chartered Accountants

ICAI Firm Registration No. 104184W/W100075

Hemant Kumar Agrawal

Designated Partner

M. No.: 403143

UDIN: 26403143SBNDPZ4440

Place: Mumbai

Date: May 13, 2026

Annexure 'B'

TO THE INDEPENDENT AUDITORS' REPORT

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

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

In conjunction with our audit of the Consolidated Financial Statements of **Permanent Magnets Limited** (hereinafter referred to as "the Holding Company") as of and for the year ended March 31, 2026 we have audited the internal financial controls with reference to Consolidated Financial Statements of the Holding Company and such company incorporated in India under the Companies Act, 2013 which is its Subsidiary, as of that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to Consolidated Financial Statements based on the internal control over financial reporting criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the internal financial controls with reference to Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting with reference to the Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls over financial reporting with reference to Consolidated Financial Statements included obtaining an understanding of internal financial controls over financial reporting with reference to Consolidated Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the

design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting with reference to these Consolidated Financial Statements.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

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

OPINION

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

For Jayesh Sanghrajka & Co. LLP

Chartered Accountants

ICAI Firm Registration No. 104184W/W100075

Hemant Kumar Agrawal

Designated Partner

M. No.: 403143

UDIN: 26403143SBNDPZ4440

Place: Mumbai

Date: May 13, 2026

Consolidated Balance Sheet

As at 31.03.2026

(₹ in Crores)

Particulars	Note No	As at March 31, 2026	As at March 31, 2025
ASSETS			
(1) Non Current Assets			
(a) Property, Plant and Equipment	2	61.34	49.89
(b) Right-of-use Assets	2	16.42	11.72
(c) Capital Work-in-Progress		8.08	-
(d) Other Intangible assets	2	0.18	0.21
(e) Financial Assets			
(i) Investments	3	-	-
(ii) Bank Balances	4	0.29	1.49
(iii) Loans	5	3.05	1.89
(f) Deferred Tax Assets (Net)	6	3.81	2.82
(g) Other Non-Current Assets	7	16.16	1.40
A		109.32	69.43
(2) Current Assets			
(a) Inventories	8	56.19	54.15
(b) Financial Assets			
(i) Trade Receivables	9	54.68	39.25
(ii) Cash and Cash Equivalents	10	28.11	4.67
(iii) Bank Balances	11	23.20	14.60
(iv) Loans	12	1.46	2.90
(c) Other Current Assets	13	9.19	9.16
B		172.83	124.73
TOTAL ASSETS (A+B)		282.15	194.16
EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity Share Capital	14	8.60	8.60
(b) Other Equity	15	148.79	135.44
C		157.39	144.04
Liabilities			
(2) Non Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	16	66.84	8.11
(ii) Lease Liabilities	17	12.63	8.46
(b) Provisions	18	2.57	0.83
(c) Deferred Tax Liabilities (Net)	19	0.13	-
D		82.16	17.40
(3) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	20	3.47	3.27
(ii) Trade Payables (Current)	21		
a) total outstanding dues of micro enterprises and small enterprises; and		6.02	3.64
b) total outstanding dues of creditors other than micro enterprises and small enterprises		23.05	18.60
(iii) Lease Liabilities	22	5.05	3.98
(iv) Other Financial Liabilities	22	0.81	0.66
(b) Other Current Liabilities	23	2.88	2.10
(c) Provisions	24	0.04	0.01
(d) Current Tax Liabilities	25	1.27	0.47
E		42.60	32.72
TOTAL EQUITY AND LIABILITIES (C+D+E)		282.15	194.16

Significant Accounting Policies

1

The Notes are an integral part of these financial statements

As per our Report of even date attached

For Jayesh Sanghrajka & Co LLP

Chartered Accountants

ICAI Firm Regd. No.: 104184W/W100075

Hemant Kumar Agrawal

Designated Partner

M. No.: 403143

UDIN: 26403143SBNDPZ4440

Sharad Taparia

Managing Director

DIN: 00293739

Mukul Taparia

Director

DIN: 00318434

Place: Mumbai

Date: May 13, 2026

Sukhmal Jain
Chief Financial officer

For & on behalf of the Board of Directors of
Permanent Magnets Limited

Rachana Sawant
Company Secretary
MRN: F13080

Consolidated Statement of Profit and Loss

For the year ended 31.03.2026

(₹ in Crores)

Particulars	Note No	As at March 31, 2026	As at March 31, 2025
I Revenue From Operations	26	226.24	205.05
II Other Income	27	6.07	4.16
III Total Income (I+II)		232.30	209.21
IV Expenses			
Cost of materials consumed	28	122.33	112.49
Changes in inventories of finished goods, Stock-in-Trade and work-in-progress	29	(3.61)	(1.24)
Employee benefits expense	30	15.69	13.03
Finance costs	31	4.10	2.40
Depreciation and amortization expense	32	14.52	11.43
Other expenses	33	55.15	50.33
Total expenses (IV)		208.16	188.44
V Profit/(loss) before exceptional items and tax (I-IV)		24.14	20.77
VI Exceptional Items	34	1.75	-
VII Profit/(loss) before tax (V-VI)		22.39	20.77
VIII Tax expense:			
(1) Current tax		8.36	5.70
(2) Deferred tax (Assets)/Liabilities		(0.86)	(0.68)
(3) Short/(Excess) provision of earlier years		0.12	0.01
IX Profit for the period from continuing operations (VII-VIII)		14.77	15.75
X Profit/(loss) from discontinued operations		-	-
XI Tax expense of discontinued operations		-	-
XII Profit/(loss) from Discontinued operations (after tax) (X-XI)		-	-
XIII Profit for the period (IX+XII)		14.77	15.75
XIV Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss	35	0.30	(0.01)
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
B (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
XV Total Comprehensive Income for the period (XIII+XIV) (Comprising Profit and Other Comprehensive Income for the period)		15.07	15.74
XVI Earnings per equity share (for continuing operation):	36		
(1) Basic		17.52	18.30
(2) Diluted		17.52	18.30
XVII Earnings per equity share (for discontinued operation):	36		
(1) Basic		-	-
(2) Diluted		-	-
XVIII Earnings per equity share (for discontinued & continuing operations)	36		
(1) Basic		17.52	18.30
(2) Diluted		17.52	18.30

Significant Accounting Policies

1

The Notes are an integral part of these financial statements

As per our Report of even date attached

For Jayesh Sanghrajka & Co LLP

Chartered Accountants

ICAI Firm Regd. No.: 104184W/W100075

Hemant Kumar Agrawal

Designated Partner

M. No.: 403143

UDIN: 26403143SBNDPZ4440

Sharad Taparia

Managing Director

DIN: 00293739

Mukul Taparia

Director

DIN: 00318434

Place: Mumbai

Date: May 13, 2026

Sukhmal Jain
Chief Financial officer

Rachana Sawant
Company Secretary
MRN: F13080

For & on behalf of the Board of Directors of
Permanent Magnets Limited

Consolidated Cash Flow Statement

(Indirect Method)

For the year ended March 31, 2026

(₹ in Crores)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2026
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax and extraordinary items (PBT)	22.69	20.76
Adjustment for:		
Depreciation & Amortization		
Depreciation and Amortization PPE	9.03	7.31
Depreciation for Leased assets	5.48	4.12
Impairment	0.06	-
Loss/(Profit) on Sale of Assets	(0.01)	(0.01)
Finance Costs	2.21	1.20
Financial Charges on lease liability	1.89	1.20
Interest income on security deposit	(0.16)	(0.10)
Provision for Bad debts	0.20	-
Misc balance written off	0.03	0.16
(Short)/Excess provision of earlier years	(0.12)	(0.01)
Unrealised Foreign Exchange Gain	(1.10)	(0.54)
Operating Profit before working Capital Changes	40.19	34.09
Adjustment for:		
Inventories	(2.03)	0.74
Trade Receivables	(14.87)	0.40
Other Assets	(9.01)	20.23
Trade Payables	6.76	(5.88)
Other Liabilities	3.63	(5.19)
	24.68	44.39
Direct Taxes Paid	7.09	5.24
Net cash generated from Operating Activities	17.59	39.15
CASH FLOW FROM INVESTMENT ACTIVITIES		
Additions to Fixed Assets (Net)	(20.51)	(28.03)
Capital work in progress	(8.08)	-
Capital Advances for PPE	(14.75)	(1.05)
Sale of Fixed Assets	0.02	0.01
Net cash generated/(used) in investing activities	(43.33)	(29.07)
CASH FLOW FROM FINANCING ACTIVITIES		
Dividend Paid	(1.72)	(1.55)
Proceeds from Long Term Borrowings	61.48	0.72
Repayment of Long Term Borrowings	(2.99)	(2.67)
Proceeds/(Repayment)/from Current borrowings (net)	0.34	(0.11)
Finance Charges paid (Net)	(2.21)	(1.20)
Payment of Lease liabilities	(6.48)	(4.70)
Equity Capital Inflow	-	-
Net cash generated from Financing Activities	48.42	(9.50)
NET INCREASE IN CASH AND CASH EQUIVALENTS	22.67	0.58
Cash and cash equivalents at the beginning of the period	5.44	4.85
Cash and cash equivalents at the end of the period	28.11	5.44

Notes:

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

2. Cash and Cash Equivalent

Particulars	(₹ in Crores)	
	March 31, 2026	March 31, 2025
Cash in hand	0.03	0.04
Balance with Banks	7.68	4.64
FDR having original maturity period of 3 Month or less	20.40	0.77
Total	28.11	5.44

As per our Report of even date attached

For Jayesh Sanghrajka & Co LLP

Chartered Accountants

ICAI Firm Regd. No.: 104184W/W100075

Hemant Kumar Agrawal

Designated Partner

M. No.: 403143

UDIN: 26403143SBNDPZ4440

Place: Mumbai

Date: May 13, 2026

Sharad Taparia

Managing Director

DIN: 00293739

Sukhmal Jain

Chief Financial officer

For & on behalf of the Board of Directors of
Permanent Magnets Limited

Mukul Taparia

Director

DIN: 00318434

Rachana Sawant

Company Secretary

MRN: F13080

Notes forming part of Consolidated Financial Statements

As at March 31, 2026

2. PROPERTY, PLANT AND EQUIPMENT (INCLUDING RIGHT OF USE ASSETS) & INTANGIBLE ASSETS

Particulars/Assets	Tangible Assets										Intangible Assets		Gross Total
	Freehold Land	Building	Plant & Machinery*	Electric Installation	Laboratory Equipments	Automobiles & Vehicles	Furniture & Fixtures	Office Equipments	Computers	Right of Use Assets	Total	Computer Software	
GROSS BLOCK													
At 1 April 2024	4.26	1.86	32.75	1.28	-	0.96	0.64	1.58	0.05	18.48	61.86	0.54	62.41
Additions	17.40	0.74	8.91	0.27	-	-	0.23	0.35	-	5.13	33.03	0.12	33.15
Deduction/Adjustments	-	-	0.02	-	-	-	-	-	-	-	0.02	-	-
At 31 March 2025	21.66	2.60	41.65	1.55	-	0.96	0.86	1.94	0.05	23.61	94.87	0.67	95.54
Additions	0.30	0.89	17.77	0.11	-	0.75	0.18	0.45	0.03	10.19	30.66	0.04	30.70
Deduction/Adjustments	-	-	0.03	-	-	0.08	-	1.26	-	-	1.37	-	1.37
At 31 March 2026	21.96	3.48	59.39	1.65	-	1.63	1.04	1.13	0.08	33.80	124.17	0.71	124.87
ACCUMULATED DEPRECIATION													
At 1 April 2024	-	0.69	11.13	0.25	-	0.70	0.25	1.13	0.03	7.77	21.96	0.36	22.32
Additions	-	0.47	5.83	0.26	-	0.08	0.21	0.35	-	4.12	11.33	0.10	11.43
Deduction/Adjustments	-	-	0.02	-	-	-	-	-	-	-	0.02	-	0.02
At 31 March 2025	-	1.17	16.94	0.52	-	0.78	0.45	1.49	0.03	11.89	33.26	0.46	33.72
Additions	-	0.57	7.22	0.23	-	0.29	0.19	0.42	0.03	5.48	14.44	0.07	14.52
Deduction/Adjustments	-	-	0.02	-	-	0.08	-	1.20	-	-	1.30	-	1.30
At 31 March 2026	-	1.74	24.15	0.75	-	0.99	0.64	0.70	0.06	17.38	46.40	0.53	46.93
NET BLOCK													
At 31 March 2025	21.66	1.43	24.70	1.03	-	0.18	0.41	0.45	0.02	11.72	61.61	0.21	61.82
At 31 March 2026	21.96	1.75	35.24	0.90	-	0.64	0.40	0.42	0.02	16.42	77.76	0.18	77.94

3: INVESTMENTS

(₹ in Crores)

Particulars	March 31, 2026	March 31, 2025
Investment in Wholly Owned Subsidiaries at cost		
Equity Shares (Unquoted)		
50,000(PY 50,000 shares of Face Value of ₹10/-each) shares of Quantum Magnetics Private Limited	-	-
Total-Investment		
Aggregate Value of	-	-
Quoted Investments	-	-
Market Value-Quoted Investments	-	-
Unquoted Investments	-	-

4: BANK BALANCES

(₹ in Crores)

Particulars	March 31, 2026	March 31, 2025
Term Deposits*	-	1.27
Bank-Dividend a/c	0.29	0.22
Total-Bank Balances	0.29	1.49

*Bank deposits of ₹Nil Crore (P.Y. ₹1.25 Crores) held as collateral security for various banks limit

5: LOANS

(₹ in Crores)

Particulars	March 31, 2026	March 31, 2025
Security Deposits	3.05	1.89
Loans & Advances to Employees (Long Term)	-	-
Total-Loans	3.05	1.89
Secured, considered good	-	-
Unsecured, considered good	3.05	1.89
Doubtful	-	-

6: DEFERRED TAX ASSETS (NET)

(₹ in Crores)

Particulars	March 31, 2026	March 31, 2025
Deferred Tax Asset		
- On account of Depreciation difference	1.83	1.16
- On account of Depreciation difference ROU	0.16	0.15
- On account of Depreciation diff. (ROU diff in Retained earning)	0.20	0.20
- On account of Disallowance of expenses	0.63	0.63
- On account of Gratuity difference	-	-
	2.82	2.14
Add/Less:		
- On account of Depreciation diff.	0.52	0.65
- On account of Depreciation diff. (ROU)	0.13	0.03
- On account of Gratuity difference	0.55	-
- On account of Forwarded contract receivable	(0.34)	-
	0.86	0.68
Add/(Less): Amount trf to Note 19-Deferred Tax Liabilities (Net)	0.13	-
Total-Deferred Tax Asset	3.81	2.82

There are no accumulated losses as at March 31, 2026 and March 31, 2025.

Ageing for trade receivables as on 31.03.2025:

(₹ in Crores)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 Months	6 Months to 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Undisputed Trade Receivable-Considered Good	38.61	0.02	0.62	-	-	39.25
Undisputed Trade Receivable-Which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade Receivable-Credit Impaired	-	-	-	-	-	-
Disputed Trade Receivable-Considered Good	-	-	-	-	-	-
Undisputed Trade Receivable-Which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivable-Credit Impaired	-	-	-	-	-	-
Total-Trade Receivables	38.61	0.02	0.62	-	-	39.25

10: CASH AND CASH EQUIVALENTS

(₹ in Crores)

Particulars	March 31, 2026	March 31, 2025
Balances with Banks*	7.68	4.64
Cash on hand	0.03	0.04
FDR's having original maturity less than 3 months	20.40	-
Total-Cash And Cash Equivalents	28.11	4.67

11: BANK BALANCES

(₹ in Crores)

Particulars	March 31, 2026	March 31, 2025
Balance held in Bank as Fixed Deposits Maturity in more than 3 months but less than 12 months*	23.20	14.60
Total-Bank Balances	23.20	14.60

*Bank deposits of ₹5.69 Crs (P.Y. ₹2.25 Cr) held as collateral security for term loan taken from banks and ₹10.10 Cr (P.Y. ₹9.06 Cr) held as margin money against bank guarantee/LC & Collateral against Working Capital.

12: LOANS

(₹ in Crores)

Particulars	March 31, 2026	March 31, 2025
Advances recoverable in cash or kind	1.46	2.90
Loans & Advances to Employees	-	-
Loan to Related Party	-	-
Total-Loans	1.46	2.90
Secured, considered good	-	-
Unsecured, considered good	1.46	2.90
Doubtful	-	-

13: OTHER CURRENT ASSETS

(₹ in Crores)

Particulars	March 31, 2026	March 31, 2025
Advance to Suppliers	1.78	4.43
Balance With Statutory/Government Authorities	3.95	3.52
Prepaid Expenses	1.46	1.21
Other Advance	0.01	0.01
Total-Other Current Assets	9.19	9.16

14: EQUITY SHARE CAPITAL

(₹ in Crores)

Particulars	March 31, 2026	March 31, 2025
AUTHORIZED CAPITAL		
2,00,00,000 (P.Y. 1,00,00,000) Equity Shares of ₹10/- each	20	10
60,00,000 (P.Y. 60,00,000) Redeemable Cumulative/Non-Cumulative Preference Shares of ₹10/- each	6	6
	26	16
ISSUED, SUBSCRIBED & PAID UP CAPITAL:		
85,98,453 (P.Y. 85,98,453) Equity Shares of ₹10/- each, Fully Paid-Up	8.60	8.60
Total	8.60	8.60

14.1 Reconciliation of shares outstanding at the beginning and at the end of the reporting period

Equity Shares

(₹ in Crores)

Particulars	At March 31, 2026		At March 31, 2025	
	No. of Shares	Amount	No. of Shares	Amount
Number of Shares at the beginning	85,98,453	8.60	85,98,453	8.60
Add: Number of Shares Issued	-	-	-	-
Number of Equity Shares at the end	85,98,453	8.60	85,98,453	8.60

14.2 Terms/Rights attached to Equity Shares

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

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

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

Particulars	At March 31, 2026		At March 31, 2025	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity shares of ₹10 each fully paid				
Sharad Jaiprakash Taparia	13,84,912	16.11	13,40,067	15.58
Mukul Taparia	14,00,582	16.29	13,63,737	15.86
Kamla Anil Taparia, hold in the capacity of Partner of Shri Orient Corporation	5,77,060	6.71	5,77,060	6.71
Jaiprakash Hanumanbux Taparia	6,19,234	7.20	6,06,081	7.05

As per the records of the company, including its register of shareholders/members and other declaration received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

Shareholding of Promoters

Particulars	At March 31, 2026		At March 31, 2025		% Change during the year
	No. of Shares	% of total shares	No. of Shares	% of total shares	
Sunilkumar Verawdan Taparia [#]	10,100	0.12%	63,340	0.74%	(0.62%)
Rishi Taparia [#]	41,400	0.48%	41,000	0.48%	0.00%
Nandini Taparia [#]	25,000	0.29%	25,000	0.29%	0.00%
Kamala Anil Taparia [#]	1,34,835	1.57%	1,34,835	1.57%	0.00%
Rashi Mittal [#]	1,000	0.01%	1,000	0.01%	0.00%

Shareholding of Promoters (Contd.)

Particulars	At March 31, 2026		At March 31, 2025		% Change during the year
	No. of Shares	% of total shares	No. of Shares	% of total shares	
Sunita Sunil Taparia [#]	4,137	0.05%	25,290	0.29%	(0.24%)
Anju Toshniwal [#]	25	0.00%	25	0.00%	0.00%
Divya Anil Taparia [#]	16,040	0.19%	16,040	0.19%	0.00%
Roli Bajpai [#]	50,000	0.58%	50,000	0.58%	0.00%
Manmohan Taparia [#]	50,000	0.58%	50,000	0.58%	0.00%
Kamala Anil Taparia, Partner Of Shri Orient Corporation- Partnership Firm [#]	5,77,060	6.71%	5,77,060	6.71%	0.00%
Sunaina Taparia [*]	76,800	0.89%	76,800	0.89%	0.00%
Anilkumar Taparia [#]	1,59,420	1.85%	1,58,180	1.84%	0.01%
Meena Kabra [#]	1,90,000	2.21%	1,90,000	2.21%	0.00%
ICICI Bank Ltd [#]	-	0.00%	31,290	0.36%	(0.36%)
Nymph Properties Private Limited [#]	1,60,000	1.86%	1,60,000	1.86%	0.00%
Mukul Taparia [*]	14,00,582	16.29%	13,63,737	15.86%	0.43%
Sharad Jaiprakash Taparia [*]	13,84,912	16.11%	13,40,067	15.58%	0.53%
Jaiprakash Hanumanbux Taparia [#]	6,19,234	7.20%	6,06,081	7.05%	0.15%
Yamini Taparia [#]	86,130	1.00%	78,130	0.91%	0.09%
Shreya Taparia [#]	1,200	0.01%	-	0.00%	0.01%

*Promoter

#Promoter Group

The above details are as certified by the Registrar and Share Transfer Agents.

15: OTHER EQUITY

(₹ in Crores)

Particulars	March 31, 2026	March 31, 2025
Securities Premium Reserve		
Opening Balance	2.80	2.80
Add/Less:	-	-
Closing Balance	2.80	2.80
General Reserve		
Opening Balance	-	-
Add/Less: Transferred to Surplus in Statement of Profit & Loss	-	-
Closing Balance	-	-
Retained Earnings		
Opening Surplus in the Statement of Profit and Loss	132.64	118.45
Add: Profit/(Loss) of the year	15.07	15.74
Less: Dividend for FY 24-25/2023-24	(1.72)	(1.55)
Closing Balance	145.99	132.64
Total-Other Equity	148.79	135.44

Notes: The Board of Directors, in their meeting on May 23, 2025, have proposed a final dividend of ₹2.00/- per equity share for the financial year ended March 31, 2025 and same was approved by shareholders at the Annual General Meeting held on August 7, 2025.

Statement showing changes in Equity for the period ended March 31, 2026**A. Equity Share Capital**

(₹ in Crores)

Balance as at April 1, 2025	Changes in equity share capital during the FY 2025-26				Balance as at March 31, 2026
8.60	-	-	-	-	8.60

B. Other Equity

(₹ in Crores)

Particulars	Reserves and Surplus			Exchange difference on translating Financial Statements of a foreign operations	Total
	General Reserve	Securities Premium Reserve	Retained Earnings		
Balance as at April 1, 2025	-	2.80	132.64	-	135.44
Changes in accounting policy or prior period errors	-	-	-	-	-
Restated balance at the beginning of the reporting period	-	2.80	132.64	-	135.44
Total Comprehensive Income for the year	-	-	15.07	-	15.07
Transfer to retained earnings	-	-	-	-	-
Remeasurements of the defined benefit plans	-	-	-	-	-
Any other change (Dividend Paid)	-	-	(1.72)	-	(1.72)
Balance as at March 31, 2026	-	2.80	145.99	-	148.79

Statement showing changes in Equity for the period ended as at March 31, 2025**A. Equity Share Capital**

(₹ in Crores)

Balance as at April 1, 2024	Changes in equity share capital during the year				Balance as at March 31, 2025
8.60	-	-	-	-	8.60

B. Other Equity

(₹ in Crores)

Particulars	Reserves and Surplus			Exchange difference on translating Financial Statements of a foreign operations	Total
	General Reserve	Securities Premium Reserve	Retained Earnings		
Balance at the beginning of the reporting period	-	2.80	118.45	-	121.25
Changes in accounting policy or prior period errors	-	-	-	-	-
Restated balance at the beginning of the reporting period	-	2.80	118.45	-	121.25
Total Comprehensive Income for the year	-	-	15.74	-	15.74
Transfer to retained earnings	-	-	-	-	-
Remeasurements of the defined benefit plans	-	-	-	-	-
Any other change (Dividend Paid)	-	-	(1.55)	-	(1.55)
Balance as at March 31, 2025	-	2.80	132.64	-	135.44

16: BORROWINGS

(₹ in Crores)

Particulars	March 31, 2026	March 31, 2025
Term Loan		
Rupee Loan from Bank* (Long Term)	20.03	8.52
Rupee Loan from Financial Institutions	47.81	-
Rupee Loan from Related Party	-	-
Central Excise loan**	1.76	1.76
Sub-Total	69.60	10.28
Less: Current Maturities of long term borrowings	(2.76)	(2.17)
Total-Borrowings	66.84	8.11
The above amount includes		
Secured Borrowings	21.79	8.11
Unsecured Borrowings	47.81	-
Secured by Personal Guarantee by Director relative's (see note below)	19.40	8.52

(₹ in Crores)

Particulars	Carrying amount as at		Effective interest rate	Security Details	Repayment terms
	March 31, 2026	March 31, 2025			
Term Loan-Central Bank of India	10.86	-	interest on the outstanding Term Loan at the rate of RBLR+0.90 Plus 0.30% per annum, presently 9.45% per annum, subject to variation with changes in the RBLR and RBI guidelines from time to time	First Charge by way of Hypothecation over Plant & Machinery and other Fixed Assets at both Project Locations as more fully described in Schedule B and the Deed of Hypothecation	The Period of 60 months commencing from the date of first repayment, during which the Principal amount shall be repaid in structured installments as detailed in Schedule A
Term Loan-State Bank of India1	3.21	4.39	Interest at 1.75% above EBLR rate. Present effective rate 10.90% (at the time of loan)	Hypothecation of entire Plant & Machinery of the company created out of bank finance	60 month commencing from 10/01/2024 EMI 10,11,880/-
Term Loan-State Bank of India2	3.20	4.14	Interest at 1.75% above EBLR rate. Present effective rate 10.90% (at the time of loan)	Hypothecation of entire Plant & Machinery of the company created out of bank finance	60 month commencing from 15/11/2024 EMI 7,96,610/-
Term Loan-State Bank of India3	2.13	-	Interest at 0.50% above EBLR rate. Present effective rate 10.40%	Hypothecation of entire Plant & Machinery of the company created out of bank finance	A moratorium of 3 months from the date of first disbursement thereafter repayment in 60 equal monthly installments from 27/10/2025 EMI 4,22,000/-.
Car Loan-Bank of Baroda	0.22	-	8.50% per annum floating payable monthly	Hypothecation of respective vehicle	60 month commencing from 10/09/2025 EMI 50,266/-
Car Loan-Bank of Baroda	0.13	-	8.50% per annum floating payable monthly	Hypothecation of respective vehicle	60 month commencing from 10/07/2025 EMI 31431/-
Car Loan-Bank of Baroda	0.13	-	8.50% per annum floating payable monthly	Hypothecation of respective vehicle	60 month commencing from 10/07/2025 EMI 31431/-
Car Loan-Saraswat Car Loan	0.15	-	8.40% per annum payable monthly	Hypothecation of respective vehicle	60 month commencing from 10/03/2026 EMI 30703/-

16: BORROWINGS (Contd.)

(₹ in Crores)

Particulars	Carrying amount as at		Effective interest rate	Security Details	Repayment terms
	March 31, 2026	March 31, 2025			
Rupee Loan from Financial Institutions	47.81	-	5% per annum Simple Interest calculated on the basis of the actual number of days elapsed of a month of 30 days and a year of 360 days	ECB taken for Capital goods (imported as well as procurement from domestic market) and working capital requirement and its unsecured in nature	20 Half-yearly Installments commencing from 15/07/2029. 14 Installment of \$ 1,50,000/- each, 3 Installment of \$ 2,00,000/- each, 1 Installment of \$ 3,00,000/- & 2 Installment of \$ 10,00,000/-,
Int Accrued & Due on Ex.Loan	1.76	1.76	-	-	-

Note: SBI term loan facilities 1,2 & 3 are further secured by personal guarantee of relatives of MD of the company.

16.2 Details of defaults as at year end in repayment of Term Loans are as follows:

(₹ in Crores)

Name of Bank	March 31, 2026	March 31, 2025
Central Excise Loan-ICICI Bank *	1.76	1.76

*During FY 2017-18, Company repaid entire principal amount of Central Excise loan of ICICI Bank but Interest is not paid so default persist to the extent of interest amount till the last payment of principal of loan.

17: LEASE LIABILITIES

(₹ in Crores)

Particulars	March 31, 2026	March 31, 2025
Lease Liability*	12.63	8.46
Total-Other Financial Liabilities	12.63	8.46

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

18: PROVISIONS

(₹ in Crores)

Particulars	March 31, 2026	March 31, 2025
Provision for Gratuity	2.12	0.52
Provision for Leave Encashment	0.45	0.31
Total-Provisions	2.57	0.83

19: DEFERRED TAX LIABILITIES (NET)

(₹ in Crores)

Particulars	March 31, 2026	March 31, 2025
Deferred Tax Liabilities (Net)*	0.13	-
Total	0.13	-

*refer note 6-DEFERRED TAX ASSETS (NET) for detail

20: BORROWINGS

(₹ in Crores)

Particulars	March 31, 2026	March 31, 2025
Rupee Loan from Banks (Short Term)	0.71	1.10
Current maturities of long term borrowings	2.76	2.17
Total-Borrowings	3.47	3.27
The above amount includes		
Secured Borrowings	3.47	3.27
Unsecured Borrowings	-	-
Secured by Personal Guarantee by Promoters/Directors/relatives	3.47	3.27

20.1

Rupee currency Loans taken from State bank of India, are secured by Hypothecation of Stocks, Receivables and Other Current Assets, present and future under consortium. These working capital facilities are further secured against Fixed deposit of ₹3.08 Crore plus interest accrued thereon and Hypothecation of entire fixed assets of the company (excluding Borivali land & Building). rate of interest is EBLR+0.70% = 9.1% and payable on demand. Further these facilities are secured by personal guarantees of MD's relatives.

20.2

The portion of working capital limits from Central Bank of India is secured first pari-passu charge by way of Hypothecation on Stocks, domestic receivable & export receivable and first pari-passu charge on entire fixed assets of the company (excluding Borivali property) facilities is further secured by fixed deposits of ₹4.73 Crore, rate of interest is RBLR+0.45% = 9.80% and payable on demand. Further these facilities are secured by personal guarantees of MD's relatives.

21: TRADE PAYABLES (CURRENT)

(₹ in Crores)

Particulars	March 31, 2026	March 31, 2025
Micro Small & Medium Enterprises*	6.02	3.64
Others Trade Payables	23.05	18.60
Total-Trade Payables	29.07	22.24

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

(₹ in Crores)

Particulars	March 31, 2026	March 31, 2025
a. (i) The principal amount remaining unpaid to any supplier at the end of accounting year	6.02	3.64
(ii) The interest due on above	-	-
Total of (i) & (ii) above	6.02	3.64
b. Amount of interest paid by the buyer in terms of Section 18 of the Act	Nil	Nil
c. The amounts of payment made to the supplier beyond the due date	Nil	Nil
d. The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the due date during the year) but without adding the interest specified under the Act.	Nil	Nil

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

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

(₹ in Crores)

Particulars	Outstanding for following periods from due date of payment				
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years
MSME	5.85	0.17	-	-	-
Others	18.30	3.61	-	0.12	1.01
Disputed dues-MSME	-	-	-	-	-
Disputed dues-Others	-	-	-	-	-
Total	24.15	3.78	-	0.12	1.01

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

(₹ in Crores)

Particulars	Outstanding for following periods from due date of payment				
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years
MSME	3.07	0.56	-	-	-
Others	13.78	3.14	0.67	-	1.01
Disputed dues-MSME	-	-	-	-	-
Disputed dues-Others	-	-	-	-	-
Total	16.86	3.70	0.67	-	1.01

22: LEASE LIABILITIES

(₹ in Crores)

Particulars	March 31, 2026	March 31, 2025
Lease Liabilities*	5.05	3.98
Other Liabilities	0.52	0.44
Dividend Payable	0.29	0.22
Total-Other Financial Liabilities	5.86	4.64

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

23: OTHER CURRENT LIABILITIES

(₹ in Crores)

Particulars	March 31, 2026	March 31, 2025
Withholding & Other taxes payable	0.91	0.32
Advances received from Customers	1.97	1.78
Total-Other Current Liabilities	2.88	2.10

24: PROVISIONS

(₹ in Crores)

Particulars	March 31, 2026	March 31, 2025
Provision for Gratuity	0.04	0.01
Provision for Leave Encashment	-	-
Total-Provisions	0.04	0.01

25: CURRENT TAX LIABILITIES

(₹ in Crores)

Particulars	March 31, 2026	March 31, 2025
Provision for Income Tax *	1.27	0.47
Total-Current Tax Liability (Net)	1.27	0.47

*Provision for income tax is net of advance taxes/pre-paid taxes paid

26: REVENUE FROM OPERATIONS

(₹ in Crores)

Particulars	March 31, 2026	March 31, 2025
Sale of Products		
Cast Magnets & Magnetic Assembly	47.99	36.23
Engineering and Current Sensing applications	169.00	161.04
Sale of services		
Job work Sale	0.19	0.04
Total A	217.18	197.31
Other Operational Income	-	-
Export Benefits	1.27	1.06
Sale of Residue	7.78	6.68
Total B	9.05	7.73
Total-Revenue From Operations	226.24	205.05

27: OTHER INCOME

(₹ in Crores)

Particulars	March 31, 2026	March 31, 2025
Other Miscellaneous Income	0.01	0.33
Profit/(Loss) on Sale of Assets	0.01	0.01
Interest Income	1.01	2.14
Interest on Security Deposit	0.16	0.10
Exchange differences (net)	4.88	1.59
Total-Other Income	6.07	4.16

28: COST OF MATERIALS CONSUMED

(₹ in Crores)

Particulars	March 31, 2026	March 31, 2025
Inventory at the beginning of the year	37.22	39.30
Add: Purchases (net)	120.52	110.41
	157.74	149.71
Less: Inventory at the end of the year	35.41	37.22
Total-Cost of raw material & components Consumed	122.33	112.49

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

(₹ in Crores)

Particulars	March 31, 2026	March 31, 2025
Inventory at the end of the year		
Work-in-progress (closing)	15.79	10.98
Finished goods (closing)	4.21	5.40
	19.99	16.38
Less:		
Inventory at the beginning of the year		
Work-in-progress (opening)	10.98	9.20
Finished goods (opening)	5.40	5.94
	16.38	15.14
Total-Change In Inventories Of Wip And Finished Goods	(3.61)	(1.24)

30: EMPLOYEE BENEFITS EXPENSE

(₹ in Crores)

Particulars	March 31, 2026	March 31, 2025
Contribution to PF & Other Fund	0.46	0.43
Gratuity Expenses	0.22	0.09
Salaries, Wages & Bonus	14.54	12.04
Staff Welfare Expenses	0.47	0.46
VRS Compensation	-	-
Total-Employee Benefit Expenses	15.69	13.03

31: FINANCE COSTS

(₹ in Crores)

Particulars	March 31, 2026	March 31, 2025
Interest	1.49	0.91
Other Borrowing cost*	0.50	0.34
Exchange difference on borrowings (net)	0.10	(0.42)
Interest on Lease Liabilities	1.89	1.20
LC & Bill Collection Charges	0.12	0.37
Total-Financial Cost	4.10	2.40

*includes Bank charges & BG Commission

32: DEPRECIATION AND AMORTIZATION EXPENSE

(₹ in Crores)

Particulars	March 31, 2026	March 31, 2025
Depreciation	8.98	7.20
Amortisation	0.05	0.10
Depreciation on Right of use assets	5.48	4.12
Total-Depreciation & Amortised Cost	14.52	11.43

33: OTHER EXPENSES

(₹ in Crores)

Particulars	March 31, 2026	March 31, 2025
Manufacturing Expenses		
Consumption of Stores, Spares & Consumbles	10.05	7.66
Freight Inward	0.89	0.59
Sub-Contract Charges & Labour Charges	19.53	17.12
Repairs & Maintenance-Machinery	0.66	0.56
Tool Cost expenses	-	0.04
Power & Fuel Charges	5.64	5.52
A	36.76	31.50
Selling & Distribution Expenses		
Advertising & Sales Promotion Expenses	0.27	0.12
Commission to Sale	1.85	2.44
Freight Outward & Transportation	4.30	4.85
Hiring charges	0.09	0.03
B	6.50	7.44
Administrative & Other Expenses		
Advertisement	0.01	0.01
Auditors Remuneration	0.08	0.07
Bank Charges	0.34	0.05
Computer & Software Expenses	0.76	0.50
Directors' Sitting Fees	0.08	0.05
Travelling & Conveyance	1.19	1.52
Insurance	0.45	0.40
Printing & Stationery Expenses	0.14	0.15
Legal & Professional Charges	4.05	3.98
Miscl Exp	0.07	0.08
Rates & Taxes	0.74	0.94
Rent Exp	0.02	0.24
Security Service Charges	0.80	0.52
Communication Cost	0.21	0.22
Vehicle Running exp	0.21	0.21
Repairs-Building	0.97	1.05
Repairs-Others	0.16	0.11
Office Expense	0.57	0.45
Misc-Balance W/off	0.04	0.16
Listing and membership fee	0.03	0.03
Corporate Social Responsibility	0.61	0.64

33: OTHER EXPENSES (Contd.)

(₹ in Crores)

Particulars	March 31, 2026	March 31, 2025
Exchange differences (net)	-	0.02
Provision for Bad Debts	0.20	-
Impairment of Assets	0.06	-
Brokerage	0.11	-
C	11.88	11.39
Total-Other Expenses A+B+C	55.15	50.33

Payment to Auditor

(₹ in Crores)

Particulars	March 31, 2026	March 31, 2025
As Auditor		
- Audit Fee	0.06	0.06
- Tax Audit Fee	0.02	-
Others	-	-
Certifications	-	-
Others Services	-	-
Total	0.08	0.06

(Note: Above Figures are Excluding GST)

34: EXCEPTIONAL ITEMS

(₹ in Crores)

Particulars	March 31, 2026	March 31, 2025
Gratuity	1.47	-
Leave Encashment	0.28	-
Total-Items That Will Not Be Reclassified To Profit Or Loss	1.75	-

35: ITEMS THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS

(₹ in Crores)

Particulars	March 31, 2026	March 31, 2025
Remeasurements of the defined benefit plans	0.30	(0.01)
Others	-	-
Total-Items That Will Not Be Reclassified To Profit Or Loss	0.30	(0.01)

35: ITEMS THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS

(₹ in Crores)

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

36: EARNINGS PER EQUITY SHARE (FOR CONTINUING OPERATION)**For Continued Operations**

(₹ in Crores)

Particulars	March 31, 2026	March 31, 2025
Profit/(Loss) attributable to Equity shareholders	15.07	15.74
Weighted Average Number of Shares for Basic and Diluted EPS	85,98,453	85,98,453
Basic EPS (Amount in ₹)	17.52	18.30
Diluted EPS (Amount in ₹)	17.52	18.30

36: EARNINGS PER EQUITY SHARE (FOR DISCONTINUED & CONTINUING OPERATIONS)

(₹ in Crores)

Particulars	March 31, 2026	March 31, 2025
Profit/(Loss) attributable to Equity shareholders	15.07	15.74
Weighted Average Number of Shares for Basic and Diluted EPS	85,98,453	85,98,453
Basic EPS (Amount in ₹)	17.52	18.30
Diluted EPS (Amount in ₹)	17.52	18.30

Significant Accounting Policies and Notes On Accounts

CORPORATE INFORMATION

Permanent Magnet Limited (PML) ("the Company") and its subsidiary (collectively referred to as "the Group") are one of the leading manufacturers of Cast alloy Magnets, Parts and accessories of electricity and electric vehicle parts in the world. PML also supplies Gas meters parts and accessories. The assembly includes Die cast parts, Plastic parts, Brass parts, Bi-metal parts, Stainless steel parts and special copper alloy and nickel alloy parts. The combination of these parts fitted together is further aligned under special conditions to be directly used in gas meters. PML Group is adding similar range of products and forward integration of parts to assemblies in current business based on customer demand. Permanent Magnets Limited ("the Company") is listed on the Bombay Stock Exchange (BSE).

Preparation and Presentation of Financial Statements

A. Basis of Preparation

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

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

B. Operating cycle for current and non-current classification

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

C. Use of Estimates and Judgements

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

D. Basis for Consolidation

The Company consolidates all entities which are controlled by it.

The Company establishes control when; it has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect the entity's returns by using its power over relevant activities of the entity.

Entities controlled by the Company are consolidated from the date control commences until the date control ceases. The results of subsidiaries acquired, or sold, during the year are consolidated from the effective date of acquisition and up to the effective date of disposal, as appropriate.

The financial statements of the Group companies are consolidated on a line-by-line basis and all inter-company transactions, balances, income and expenses are eliminated in full on consolidation.

Changes in the Company's interests in subsidiaries that do not result in a loss of control are accounted for 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 shareholders of the Company.

E. Business combinations

The Group accounts for its business combinations under acquisition method of accounting. Acquisition-related costs are recognised in the consolidated statement of profit and loss as incurred. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition are recognised at their fair values at the acquisition date.

Purchase consideration paid in excess of the fair value of net assets acquired is recognised as goodwill. Where the fair value of identifiable assets and liabilities exceed the cost of acquisition, after reassessing the fair values of the net assets and contingent liabilities, the excess is recognised as capital reserve.

The interest of non-controlling shareholders is initially measured either at fair value or at the non-controlling interests' proportionate share of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity of subsidiaries.

Business combinations arising from transfers of interests in entities that are under common control are accounted for at historical cost. The difference between any consideration

given and the aggregate historical carrying amounts of assets and liabilities of the acquired entity is recorded in shareholders' equity.

F. Segment reporting

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

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

G. Foreign currency translation

i) Functional and presentation currency

Items included in the Consolidated financial statements are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The Consolidated financial statements are presented in Indian rupee (INR), which is the Group's functional and presentation currency.

ii) Transactions and balances

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

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

H. Revenue Recognition

Effective from April 1, 2018, the Group adopted Ind AS 115 "Revenue from Contracts with Customers" using the cumulative catch-up transition method, applied to contracts that were not completed as of April 1, 2018. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. In accordance with the cumulative catch-up transition method, the comparatives have not been retrospectively adjusted. The effect on adoption of Ind AS 115 was insignificant.

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

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

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

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

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

I. Taxation

Current Income Tax

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

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

Deferred tax

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

Deferred tax assets including Minimum Alternate Tax (MAT) are generally 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 is 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 assets 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 at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date. Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to

set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

J. Leases

As a lessee

Initial measurement

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

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

Subsequent measurement

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

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

Impairment:

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

Short term Lease:

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

As a lessor:

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

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

K. Impairment of Non-Financial Assets

Property, plant, and equipment (PPE), right-of-use (ROU) assets, and intangible assets are evaluated for recoverability at each balance sheet date, or whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

For the purpose of impairment testing, the recoverable amount is determined. The recoverable amount of an asset or a cash-generating unit (CGU) is the higher of its fair value less costs of disposal (FVLCD) and its value in use (VIU). If the carrying amount of an asset or CGU exceeds its estimated recoverable amount, an impairment loss is recognized immediately in the Statement of Profit and Loss.

Allocation of Impairment Losses:

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

Reversal of Impairment Losses:

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

L. Cash and cash equivalents

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

M. Trade receivables

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

N. Inventories

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

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

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

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

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

O. Financial Instruments:

(i) Financial assets:

Initial recognition and measurement

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

Subsequent measurement

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

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

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

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

- **Business model test:** The objective of the Group's business model is to hold the financial assets to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realise its fair value changes).
- **Cash flow characteristics test:** The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

- **Business model test:** The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flow and selling financial assets.
- **Cash flow characteristics test:** The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

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

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

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

Derecognition

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

- The rights to receive cash flows from the asset have expired, or
- The Group 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 Group has transferred substantially all the risks and rewards of the asset, or
 - (b) The Group has either transferred substantially all the risks and rewards of the asset, but has transferred control of the asset.

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

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

Impairment

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

Effective interest method

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

(ii) Financial liabilities and equity instruments:

Classification as debt or equity

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

Equity Instruments

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

Financial Liabilities

Initial recognition and measurement

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

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

Subsequent measurement

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

Financial liabilities at fair value through profit or loss

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

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

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

Loans and borrowings

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

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

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

Hedge Accounting

External Commercial Borrowings (ECB) – Risk Management and Hedging.

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

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

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

Derecognition

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

Reclassification of Financial Instruments

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only.

If there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent.

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

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

P. Offsetting financial instruments

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

Q. Property, plant and equipment

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

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

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

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

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

Depreciation/Amortisation methods, estimated useful lives and residual value.

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

The estimated useful lives are as mentioned below:

Name of Assets	Life as per management
Plant & Machinery	From 2 years to 25 years*
Furniture & Fixtures-Cabin & Aluminium Section	15 Years*
Laptop, Scanner & Monitors	3/5 Years*

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

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

R. Intangible assets

a) Recognition

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

b) Amortization methods and periods

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

S. Trade and other payables

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

T. Borrowings

Borrowings are initially recognized at fair value, net of transaction cost incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortized over the period of the facility to which it relates.

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

Where the terms of a financial liability are renegotiated and the entity issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognized in profit or loss, which is measured as the

difference between the carrying amount of the financial liability and the fair value of the equity instrument issued.

U. Borrowing costs

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

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

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

V. Exceptional Items

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

W. Provisions

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

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

X. Employee benefits

i. Short-term obligations

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

ii. Other long-term employee benefit obligations

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured at the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the

projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligations.

Remeasurements as a result of the experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

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

iii. Post-employment obligations

The Group operates the following post-employment schemes:

- (a) Defined benefit plans such as gratuity; and
- (b) Defined contribution plans such as provident fund and superannuation fund.
- (c) Defined benefit plans such as Leave encashment.

Gratuity & Leave Encashment obligations

The liability or assets recognised in the balance sheet in respect of gratuity & Leave Encashment plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

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

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

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

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

Defined contribution plans

The company pays provident fund contributions to publicly administered funds as per local regulations. The Company

has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due.

iv. Bonus plans

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

Y. Contributed equity

Equity shares are classified as equity.

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

Z. Dividends

Provision is made for the amount of any dividend declared, being appropriately authorized and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

AA. Provision for doubtful debts

The Management reviews on a periodical basis the outstanding debtors with a view to determine as to whether the debtors are good, bad or doubtful after taking into consideration all the relevant aspects. On the basis of such review and in pursuance of other prudent financial considerations the management determines the extent of provision to be made in the accounts

BB. Earnings per share

i. Basic earnings per share

Basic earnings per share are calculated by dividing:

- The profit attributable to owners of the Group.
- By the weighted average number of equity-shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

ii. Diluted earnings per share

Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account:

- The after-income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

I. NOTES TO ACCOUNTS:

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

2. Contingent Liabilities:

		(₹ in Crores)	
Particulars		31.03.26	31.03.25
a) Unutilized Letters of Credit with Bankers		5.13	Nil
b) Bank Guarantee		0.18	0.13
c) Capital Commitment (PPE)		4.59	-
d) Labour cases in the court for reinstatement and/or higher compensation, which in the opinion of the management demand no provision of liability than what is recorded in accounts.		0.08	0.07
e) Excise Department has rejected the appeal filed by the company and has raised demand as regards inter-unit transfers. The Company has filed appeal against the said order in CESTAT and has made payment of ₹ 0.05 Crore for stay order. Stay order against recovery of the dues has been granted. In the opinion of Company's Consultant, since there is no suppression of facts by the Company, penalty imposed will be quashed. In case, if the case is decided against the Company, there will be no actual outflow to the Company due to availability of Cenvat credit. Further, in similar cases, the Commissioner of Central Excise has ruled in favour of the company and has set aside the show cause notices.			
Duty Demanded		0.32	0.32
Penalty		0.32	0.32
f) Interest on Central Excise loan (Operated through ICICI).			
In 1995-96, company has taken interest free loan under the Excise relief scheme as approved by the Government of India and said loan was disbursed By designated financial institutions.			
ICICI, the Operating Agency raised certain demands towards the installments repaid with delay. The Company has provided simple interest on repayment of these delayed installments, which may be reversible if the Central Government doesn't demand during settlement. Additional interest if claimed by the government will be payable. However, the management does not expect any liability on that account.		22.01*	22.01*
Company had approached ministry of finance, government of India for instruction of settlement of account as one time settlement, and as per information, same is under consideration. Disbursing agency ICICI, has also forwarded Settlement proposal to the ministry on 30 th July 2013 vide letter bearing reference no SSG/NA/2013-14/324 for seeking the directions.			
In view of the above situation, management does not feel any extra liability towards interest on the interest free excise loan. Management of PML is providing simple interest on outstanding dues of above loan even though this was interest free. Loan Principal Amount repaid on during FY 17-18			

*Management has tried to resolve the issues of Central Excise Loan with higher authorities of Ministry of Finance, Government of India and made various representations, but did not get proper response as above scheme has been over and no proper documents are available with ministry of finance, Government of India. Management of PML provides simple interest on outstanding dues of above loan even though this was interest free. The Group has been repaid balance Principal Amount of the loan during FY 17-18.

3. Honorable Bombay High Court has passed winding up order on the petition of M/s Savino Del Beno "Petitioner" (Freight forwarder agent & CHA of the Group).

Facts of the case-During the year 2010, Petitioner has raised bills for their services but failed to submit Original EP copy to the Group, which is essential documents to claim Excise rebate, and accordingly the Group withheld their payment. Subsequently, petitioner has filed winding up petition against the Group of dues of ₹0.13 crore. Honorable Mumbai High Court has passed an order allowing the petition and issued directions for appointment of official liquidator in winding up order.

On the appeal against this order made by the Group before Honorable Bombay High Court, Honorable Bombay High Court has given interim stay order against the winding up order passed (against the Group) dated April 15, 2015. The Group has deposited ₹0.19 crore with interest as per direction of honorable Bombay High Court. Matter is pending before Bombay High Court. Next hearing in this matter shall come up as per listing of the court.

Amount deposited of ₹0.19 crore with court is shown in Balance sheet under Current Assets.

4. Balance under the head 'Trade Receivables', 'Trade Payables', 'Loan and Advances Receivable and Payable' are shown as per books of accounts subject to confirmation by concerned parties and adjustment if any, on reconciliation thereof. Balance Confirmation e-mails have been issued to parties for confirmation of balances with the request to confirm or send/comments by the stipulated date failing which the balances as appearing in the letter would be taken as confirmed. Confirmation e-mails have been received in very few cases; however, no adverse communication has been received from the parties.

5. During the year ₹4.88 Crores (P. Y. ₹1.59 Crores) has been credited to the Statement of Profit and Loss in respect of the Foreign Exchange Differences.

6. Segment reporting

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

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

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

7. Leases: Effective date and transition

Effective April 1, 2019, the Group has adopted Ind AS 116 Leases. The Group applies retrospectively with the cumulative effect of initially applying the Standard recognized at the date of initial application. The Group measure lease liability at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate at the date of initial application, and measure that right-of-use asset an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognized in the balance sheet immediately before the date of initial application. The Group is following SLM method for depreciation on Right of use assets over lease terms.

A) The following is the movement in lease liabilities

(₹ in Crores)		
Particulars	31.03.2026	31.03.2025
Opening Balance as on 1 st day of year	12.44	11.05
Additions	9.89	4.89
Finance cost accrued during the period	1.89	1.20
Payment of lease liabilities	6.49	4.70
Closing Balance as on last day of year	17.68	12.44

B) Maturity Analysis of Lease Liabilities

(₹ in Crores)		
Maturity analysis-Contractual undiscounted cashflows	31.03.2026	31.03.2025
Less than one year	5.18	4.15
One year to five years	12.70	8.67
More than five years	-	-
Total Undiscounted lease liabilities	17.88	12.82
Lease liabilities included in the statement of financial position	-	-
Non-Current	12.62	8.47
Current	5.05	3.98
Total	17.68	12.44

C) Amount Recognised in the Statement of profit and loss

(₹ in Crores)

Maturity analysis-Contractual undiscounted cashflows	31.03.2026	31.03.2025
Interest on Lease Liabilities	1.89	1.20
Depreciation on Lease Asset	5.48	4.12
Rent Expenses-short-term leases and leases of low value assets	0.012	0.002

8. Related Party Disclosure

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

Sr. No.	Name of the Related Parties	Nature of Relationship
Key Managerial Personnel		
1	Sharad Taparia	Managing Director
2	Sukhamal Jain	Chief Financial Officer
3	Rachana Sawant	Company Secretary
Non-Executive Directors		
4	Nirmal Kumar Jain	Independent Director
5	Kamal Binani	Independent Director
6	Sunaina Taparia	Director
7	Mukul Taparia	Director
8	Girish Desai	Director
Relative of Key Managerial Personnel		
1	Nandini Taparaia	Relative of Managing Director
Enterprises in which key managerial personnel and/or their relatives are able to exercise significant influence:		
1	Pregna International Limited	-
2	Megh Exim LLP	-
3	NYMPH Properties Private Limited	-

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

(₹ in Crores)

Names of Related Parties	Name of the Related Parties	Year ended March 31, 2026		Year ended March 31, 2025	
		Transaction during year	Closing balance	Transaction during year	Closing balance
Sharad Taparia	Remuneration	1.77	-	1.05	-
Sukhamal Jain	Remuneration	0.48	-	0.47	-
Rachana Sawant	Remuneration	0.13	-	0.11	-
Nandini Taparia	Remuneration	0.04	-	-	-
Rajeev Mundra	Sitting fees	-	-	0.01	-
Kamal Binani	Sitting fees	0.02	-	0.01	-
Sunaina Taparia	Sitting fees	0.01	-	0.01	-
Mukul Taparia	Sitting fees	0.02	-	0.01	-
Girish Desai	Sitting fees	0.01	-	0.01	-
Nirmal Kumar Jain	Sitting fees	0.02	-	0.01	-

Note: Reimbursement of expenses incurred by the related parties for and on behalf of the Group and vice versa has not been included above.

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

I. Gratuity

The Group provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. The amount of gratuity payable on retirement/termination is the employees' last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The Group contribution "on the basis of actuarially ascertained by the Independent Actuaries" is charged to profit and loss account. The amount debited to profit, and loss account is ₹0.22 Crore. Past service cost due to applicability of New Labour code is ₹1.75 Crores.

Other long-term employee benefits:

II. Leave encashment

The Company provides for the expected cost of accumulating paid leave which can be carried forward and used in future periods by the employees. The obligation to accumulate paid leaves has been recognized at the end of the reporting period.

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

(₹ in Crores)

Particulars	2025-26		2024-25	
	Leave Encashment	Gratuity	Leave Encashment	Gratuity
	(Unfunded)	(Unfunded)	(Unfunded)	(Unfunded)
A) Actuarial assumption				
i) Discounting rate	6.75%	6.75%	6.75%	6.75%
ii) Future salary increases	5.00%	5.00%	5.00%	5.00%
iii) Expected rate of return on plan assets				
iv) Retirement age (in Years)	60	60	60	60
v) Mortality rates upto Retirement age	IALM 2012-14 Ult	IALM 2012-14 Ult	IALM 2012-14 Ult	IALM 2012-14 Ult
B) Expenses recognised in the statement of profit and loss				
i) Current service cost	0.24	0.19	0.16	0.06
ii) Net interest cost	0.02	0.03	0.02	0.03
i) Past Service Cost				
iii) Expected return on plan assets	-	-	-	-
iv) Net actuarial (gain)/loss recognized in the period	(0.25)	(0.04)	(0.05)	0.01
v) Expenses recognized in the statement of Profit & Loss	0.25	0.22	0.17	0.09
C) Recognised in other comprehensive income				
i) Actuarial (gain)/loss arising on assets	-	-	-	-
ii) Actuarial (gain)/loss on PBO arising from:	-	-	-	-
Change in demographic assumptions	-	-	-	-
Change in financial assumptions	(0.00)*	(0.13)	0.01	0.03
Change in experience assumptions	(0.25)	0.09	(0.06)	(0.02)
iii) Net (gain)/loss recognised in other comprehensive income	(0.25)	(0.04)	(0.05)	0.01
D) Change in present value of obligation				
i) Present value of obligation as at year beginning	0.31	0.53	0.22	0.44
ii) Interest cost	0.02	0.03	0.02	0.03
iii) Current service cost	0.24	0.19	0.16	0.06
iv) Past service cost incl. Curtailment gains and loss	0.28	1.47	-	-
v) Benefits paid	(0.14)	(0.02)	(0.04)	(0.01)
Actuarial (gain)/loss on PBO arising from:	-	-	-	-
Change in demographic assumptions	-	-	-	-
Change in financial assumptions	(0.00)*	(0.13)	0.01	0.03
Change in experience assumptions	(0.25)	0.09	(0.06)	(0.02)
vi) Present value of obligation as at year end	0.46	2.16	0.31	0.53
E) Change in fair value of plan assets				
i) Fair value of plan assets at year beginning	-	-	-	-
ii) Actual return on plan assets	-	-	-	-
iii) Contributions	-	-	-	-
iv) Fund management charges (FMC)	-	-	-	-
v) Benefits paid	-	-	-	-
vi) Actuarial gain/(loss) on plan assets	-	-	-	-
vii) Fair value of plan assets at year end	-	-	-	-

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

(₹ in Crores)

Particulars	2025-26		2024-25	
	Leave Encashment	Gratuity	Leave Encashment	Gratuity
	(Unfunded)	(Unfunded)	(Unfunded)	(Unfunded)
F) Liability/(Assets) recognized in Balance Sheet	0.46	2.16	0.31	0.53
i) Within the next 12 months (next annual reporting period)	0.00*	0.04	0.00*	0.01
ii) Between 1 and 5 years	0.05	0.33	0.02	0.12
iii) Beyond 5 years-	0.21	1.21	0.04	0.19
iv) Total Expected Payments	0.08	1.59	0.06	0.32

10. Component Accounting for Fixed Assets:

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

11. Segment Reporting:

As the Group operates mainly in one Business Segment, i.e. Engineering and Current Sensing applications hence are considered to be a single primary business segment. There have been no other reportable segments identified by Chief Operating Decision Maker and hence no segment reporting is presented under IND AS 108.

12. Impairment of Assets:

During the financial year 2025-26, the Group performed an impairment evaluation of certain assets within its Property, Plant, and Equipment vertical, following internal reviews that indicated a potential reduction in economic utility.

Consequently, an impairment loss of ₹0.06 Crore (Previous Year: Nil) has been recognized in the Statement of Profit and Loss under the line item 'Other Expenses'

13.

a) Purchases of Finished Goods:

Particulars	Amount (₹ in Crore)	
	2025-26	2024-25
Purchases of Finished Goods:	Nil	Nil

b) Expenditure and earnings in Foreign Currencies:

A. CIF Value of Imports:

(₹ in Crores)

Particulars	2025-26	2024-25
Raw Materials & component	59.66	65.61
Property, Plant & Equipment's	3.37	0.69

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

Particulars	2025-26		2024-25	
	Amount (₹ in Crore)	%	Amount (₹ in Crore)	%
Raw Materials				
Imported	46.10	37.79	56.07	49.84
Indigenous	76.90	62.21	56.42	50.16
Total	122.00	100.00	112.49	100.00

C. Expenditure in foreign currencies incurred during the year:

(₹ in Crores)

Particulars	2025-26	2024-25
1. Travelling Expenses	0.68	0.98
2. Others	1.07	0.27
3. Financial Charges	0.28	0.20

D. Earnings in foreign currencies during the year:

(₹ in Crores)

Particulars	2025-26	2024-25
1. FOB Value of Exports	106.82	107.88

14. Corporate Social Responsibility (CSR)

As per Section 135 of the Companies Act, 2013, the Group, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, healthcare, women empowerment, measures for the benefit of war widows and contributions to incubators has been formed by the Group as per the Act. The funds were primarily allocated to a corpus and utilised through the year on these activities which are specified in schedule VII of the Companies Act, 2013.

The amount of expenditure to be spent on CSR activities and financial details as per the Companies Act, 2013 for the F.Y 2025-26 are as under:

(₹ in Crores)

Particulars	2025-26	2024-25
(i) Amount required to be spent by the Company during the year	0.61	0.64
(ii) Amount spent towards CSR Activities	0.61	0.64
(iii) Shortfall at the end of the year	Nil	Nil
(iv) total of previous years shortfall,	Nil	Nil
(v) reason for shortfall,	NA	NA
(vi) nature of CSR activities,		
Promoting Education, Healthcare, rural development and other key allied social initiatives.		
(vii) details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard,	NA	NA
(viii) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately.	NA	NA

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

- The carrying amounts of trade payables, other financial liabilities (current), borrowings (current), trade receivables, cash and cash equivalents, other bank balances and loans are considered to be the same as fair value due to their short-term nature.
- Borrowings (non-current) consists of loans from banks and government authorities, other financial liabilities (noncurrent) consist of interest accrued but not due on deposits other financial assets consists of employee advances where the fair value is considered based on the discounted cash flow.

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

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

(₹ in Crores)

Name of the Parties	As at 31.03.2026		As at 31.03.2025	
	Carrying Amount	*Fair Value	Carrying Amount	*Fair Value
Financial Assets				
Measure at amortised cost:				
Non-Current				
(i) Investments	-	-	-	-
(ii) Loans	3.05	3.05	1.89	1.89
(iii) Bank Balances	0.29	0.29	1.49	1.49
Current				
(i) Trade Receivables	54.68	54.68	39.25	39.25
(ii) Cash and Cash Equivalents	28.11	28.11	4.67	4.67
(iii) Bank Balances	23.20	23.20	14.60	14.60
(iv) Loans	1.46	1.46	2.90	2.90
Measured at fair value through profit and loss				
Non-Current	-	-	-	-
Total	110.79	110.79	64.80	64.80
Financial Liabilities				
Measured at amortised cost				
Non-Current				
Borrowings	66.84	66.84	8.11	8.11
Lease Liabilities	12.63	12.63	8.46	8.46
Provisions	2.57	2.57	0.83	0.83
Other Non - Current Liabilities	-	-	-	-
Current				
Borrowings	3.47	3.47	3.63	3.63
Trade Payables	29.07	29.07	22.24	22.24
Lease Liabilities	5.05	5.05	3.98	3.98
Other Financial Liabilities	0.81	0.81	0.66	0.66
Total	120.44	120.44	47.91	47.91

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

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

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

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

Management uses its best judgement in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of the amounts that the Group could have realized or paid in sale transactions as of respective dates. As such, the fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at

each reporting date. In respect of investments as at the transaction date, the Group has assessed the fair value to be the carrying value of the investments as these companies are in their initial years of operations obtaining necessary regulatory approvals to commence their business.

16. Financial risk management

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

(A) Market risk

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

sections relate to the position as at March 31, 2026 and March 31, 2025.

The analysis excludes the impact of movements in market variables on the carrying values of financial assets and liabilities.

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

(i) Foreign currency exchange rate risk

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

(ii) Interest rate risk

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

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

(B) Credit Risk

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

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

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

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

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including default risk associate with the industry and country in which customers operate. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment.

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

(C) Hedge Accounting

External Commercial Borrowings (ECB) – Risk Management and Hedging.

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

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

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

(₹ in Crores)

Particulars	Carrying Amount			
	Assets	Liabilities	Changes in Fair Value	Line items in balance sheet
As at March 31, 2026				
Borrowings	-	47.81	2.72	Non-Current Borrowings

17. Event occurring after the balance sheet date

The Board of Directors of holding company has recommended an Equity dividend of ₹2.20/- per share on face value of ₹10/- each, for the financial year 2025-26. The proposal is subject to the approval of shareholders at the Annual General Meeting. On approval, the total dividend outgo is expected to be ₹1.89 Crore based on number of shares outstanding as on March 31, 2026.

18. Other Disclosures

- (a) Relationship with Struck off Companies-The Group does not have any transactions or relationships with any companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956.
- (b) There are no transactions that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 which have not been recorded in the books of account.
- (c) There are no charges or satisfaction of charges yet to be registered with Registrar of Companies beyond the statutory period.
- (d) There is no Benami Property held under Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (e) There is no transaction in Crypto Currency or Virtual Currency.
- (f) The Group is not declared wilful defaulter by any bank or financials institution or lender during the year.
- (g) The Group has used borrowings from banks and financial institutions for the specific purpose for which it was obtained.
- (h) The title deeds of all the immovable properties, (other than immovable properties where the Group is the lessee and the lease agreements are duly executed in favour of the Group) disclosed in the Consolidated financial statements included in property, plant and equipment and capital work-in progress are held in the name of the Group as at the balance sheet date.
- (i) The Group 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:
 - (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (ultimate beneficiaries); or
 - (ii) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- (j) The Group has not received any funds from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
 - (i) 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
 - (ii) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

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

20. Ratios

Sr. No.	Ratios	Numerator	Denominator	Current Year March 31, 2026	Previous Year March 31, 2025	Change in %	Reason for more than 25% Variance
(a)	Current ratio (in times)	Total current Assets	Total current liabilities	4.06	3.81	6.44%	NA
(b)	Debt-equity ratio (in times)	Long term liabilities + short term borrowings + Lease liabilities (Long & Short term)	Total equity	0.56	0.17	238.04%	Due to increase in borrowings (ECB) in FY 25-26, Ratio increased
(c)	Debt service coverage ratio (in times)	Earnings before debt service = Net profit after taxes + non cash operating expenses + Interest + Other non cash adjustments	Debt service = Interest + principle repayments + Repayment of lease liabilities	3.45	3.66	(5.82%)	NA
(d)	Return on equity ratio (in %)	Profit for the year	Average total equity	9.57%	10.92%	(12.36%)	NA
(e)	Inventory turnover ratio (in days)	Revenue from operations	Average total inventory	89.01	97.06	(8.29%)	NA
(f)	Trade receivables turnover ratio (in days)	Revenue from operations	Average trade receivables	75.77	70.25	7.86%	NA
(g)	Trade payables turnover (in days)	Raw material purchases + Fuel purchase + Other expenses	Average trade payables	57.17	61.53	(7.09%)	NA
(h)	Net capital turnover ratio (in days)	Revenue from operations	Average working capital (ie., Total current assets less Total current liabilities)	179.28	172.18	4.13%	NA
(i)	Net profit ratio (in %)	Profit for the year	Revenue from operations	6.53%	7.68%	(14.97%)	NA
(j)	Return on capital employed (in %)	Earning before tax and finance cost	Capital employed = Total Assets - Current Liabilities other than interest bearing liabilities	12.54%	13.82%	(9.24%)	NA
(k)	Return on Investment (in %)	Income generated from invested funds	Average invested funds in treasury investments	NA	NA	NA	NA

For Jayesh Sanghrajka & Co LLP

Chartered Accountants
ICAI Firm Regd. No.: 104184W/W100075

Hemant Kumar Agrawal

Designated Partner
M. No.: 403143
UDIN: 26403143SBNIDPZ4440

Place: Mumbai

Date: May 13, 2026

For & on behalf of the Board of Directors of
Permanent Magnets Limited

Sharad Taparia

Managing Director
DIN: 00293739

Mukul Taparia

Director
DIN: 00318434

Sukhmal Jain

Chief Financial officer

Rachana Sawant

Company Secretary
MRN: F13080

PML

Corporate Office:

PERMANENT MAGNETS LIMITED
Plot No. B-3, MIDC Industrial Area,
Village Mira, Mira Road - 401107,
Dist. Thane