

# **Cramlington Precision Forge Limited**

(Incorporated in United Kingdom)

## **ANNUAL REPORT**

**for the year ended  
March 31, 2026**



# Cramlington Precision Forge Limited, United Kingdom

## TRANSLATED FINANCIAL STATEMENTS

---

### Independent Practitioners' Report

To the Board of Directors of Cramlington Precision Forge Limited, United Kingdom.

#### Report on the Special Purpose Fit-For-Consolidation Financial Statements

##### Opinion

We have examined the accompanying special purpose fit-for-consolidation financial statements of **Cramlington Precision Forge Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2026, the Statement of Profit and Loss, including the Statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the special purpose fit-for-consolidation 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 special purpose fit-for-consolidation financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

##### Basis for Opinion

We conducted our procedures in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India. Our responsibilities are further described in the 'Practitioner's Responsibilities for the Examination of the Special Purpose Fit-For-Consolidation 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 examination of the special purpose fit-for-consolidation 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 evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the special purpose fit-for-consolidation financial statements.

##### Management's Responsibility for the Special Purpose Fit-For-Consolidation 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 special purpose fit-for-consolidation 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 Group Accounting policies for Sundram Fasteners Limited and Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the special purpose fit-for-consolidation financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the special purpose fit-for-consolidation financial statements, management 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.

##### Practitioner's Responsibilities for the Examination of the Special Purpose Fit-For-Consolidation Financial Statements

Our responsibility is to express an opinion on the accompanying special purpose fit-for-consolidation financial statements of the Company based on our procedures as mentioned below.

The financial statements of the Company for the year ended March 31, 2026, has been prepared under UK GAAP and in compliance with the Group accounting policies. The auditors of the Company, KNAV Chartered Accountants, vide their email dated 22nd April 2026, have provided an initialled Balance Sheet and Income Statement of the Company to Sundram Fasteners Limited, the holding company. The initialled financial statements do not include the detailed schedules forming part of the Balance Sheet and Statement of Profit and Loss, and no signed financial statements or auditor's report have been issued by the auditors as on date. We have also not been provided with or seen the auditor's report. Accordingly, for the purpose of verifying the financial statements for consolidation, reliance has been placed solely on the email confirmation and the initialled financial statements provided by the auditors. We have not conducted any audit and have performed the following procedures:

- i) Obtained and read the financial statements of the Company prepared under UK GAAP and Group accounting policies and the email confirmation provided by the auditors of the Company M/S KNAV vide their email dated April 22, 2026;

# **Cramlington Precision Forge Limited, United Kingdom**

## **TRANSLATED FINANCIAL STATEMENTS**

---

- ii) Examined the translated audited financial statements prepared under British pound sterling (GBP), the functional currency of the Company to Indian National Rupee (INR) as per procedures stipulated by the group accounting policy of Sundram Fasteners Limited;
- iii) Examined the compliance of the special purpose fit-for-consolidation financial statements with the group accounting policies of Sundram Fasteners Limited.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

### **Other Matter**

The accompanying special purpose fit-for-consolidation financial statements of the Company has been prepared for purposes of providing information to Sundram Fasteners Limited to enable it to prepare its consolidated financial statements. As a result, the special purpose fit-for-consolidation financial statements of the Company may not be suitable for another purpose.

*for* **Ragavender & Associates**

*Chartered Accountants*

Firm Registration No- 013681S

**Ragavender S**

*Partner*

Membership No. 228344

UDIN: 26228344DUCPBS5076

Place: Chennai

Date: April 24, 2026

## TRANSLATED FINANCIAL STATEMENTS

### Balance Sheet as at March 31, 2026

Particulars	Note	As at March 31, 2026		As at March 31, 2025	
		GBP	₹	GBP	₹
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property, plant and equipment	5	3,612,428	45,19,14,990	1,568,559	17,36,24,042
Capital work-in-progress	5	82,079	1,02,68,058	1,452,144	16,07,37,803
Right of Use of Assets	6	427,156	5,34,37,306	590,590	6,53,72,379
		<b>4,121,663</b>	<b>51,56,20,354</b>	<b>3,611,293</b>	<b>39,97,34,224</b>
<b>Current assets</b>					
Inventories	8	2,225,901	27,84,60,158	2,099,791	23,24,25,822
<u>Financial assets</u>					
- Trade receivables	9	1,013,752	12,68,20,356	1,476,570	16,34,41,560
- Cash and cash equivalents	10	502	62,846	512	56,682
- Bank balance other than mentioned in cash and cash equivalents	10	797,000	9,97,04,700	643,000	7,11,73,670
Other current assets	7	619,402	7,74,87,245	1,052,806	11,65,35,119
		<b>4,656,557</b>	<b>58,25,35,305</b>	<b>5,272,679</b>	<b>58,36,32,853</b>
<b>Total assets</b>		<b>8,778,220</b>	<b>1,09,81,55,659</b>	<b>8,883,972</b>	<b>98,33,67,077</b>
<b>EQUITY AND LIABILITIES</b>					
<b>Equity</b>					
Equity Share capital	11	1,400,000	17,51,40,000	1,400,000	15,49,66,000
Other equity		(487,073)	(6,09,32,525)	(556,133)	(6,15,58,185)
<b>Total equity</b>		<b>912,927</b>	<b>11,42,07,475</b>	<b>843,867</b>	<b>9,34,07,815</b>
<b>Liabilities</b>					
<b>Non-current liabilities</b>					
<u>Financial liabilities</u>					
- Borrowings - Non-Current	12	1,025,000	12,82,27,500	750,000	8,30,17,500
- Lease liabilities	13	321,807	4,02,58,101	508,638	5,63,01,126
- Other financial liabilities	15	142,282	1,77,99,389	199,731	2,21,08,289
		<b>1,489,089</b>	<b>18,62,84,990</b>	<b>1,458,369</b>	<b>16,14,26,915</b>
<b>Current liabilities</b>					
<u>Financial liabilities</u>					
- Borrowings	12	2,703,524	33,82,10,909	3,144,173	34,80,28,463
- Lease liabilities	13	118,069	1,47,70,462	121,943	1,34,97,899
- Trade payables					
Dues to others	14	3,349,480	41,90,19,902	2,946,744	32,61,75,096
- Other financial liabilities	15	160,024	2,00,19,063	290,912	3,22,01,060
Other current liabilities	16	45,107	56,42,858	77,964	86,29,829
<b>Total current liabilities</b>		<b>6,376,204</b>	<b>79,76,63,194</b>	<b>6,581,736</b>	<b>72,85,32,347</b>
<b>Total Liabilities</b>		<b>7,865,293</b>	<b>98,39,48,184</b>	<b>8,040,105</b>	<b>88,99,59,262</b>
<b>Total equity and liabilities</b>		<b>8,778,220</b>	<b>1,09,81,55,659</b>	<b>8,883,972</b>	<b>98,33,67,077</b>

Notes 1 to 32 form an integral part of these financial statements

This is the balance sheet referred to in our report of even date

# Cramlington Precision Forge Limited, United Kingdom

## TRANSLATED FINANCIAL STATEMENTS

### Statement of Profit and Loss for the year ended March 31, 2026

Particulars	Note	Year ended March 31, 2026		Year ended March 31, 2025	
		GBP	₹	GBP	₹
		Revenue from operations	17	9,925,992	1,17,51,38,180
Other income	18	441,149	5,22,27,616	506,842	5,48,35,205
Finance Income					
<b>Total Income</b>		<b>10,367,141</b>	<b>1,22,73,65,796</b>	<b>13,193,902</b>	<b>1,42,74,48,244</b>
<b>Expenses</b>					
Cost of materials consumed	19	3,410,205	40,37,34,138	3,473,338	37,57,80,456
Changes in inventories of finished goods, stock-in-trade and work in progress	20	(157,096)	(1,85,98,594)	802,389	8,68,10,466
Employee benefits expense	21	2,940,937	34,81,77,552	3,309,382	35,80,42,069
Finance costs	22	210,154	2,48,80,080	240,492	2,60,18,821
Depreciation and amortization expense	23	382,394	4,52,71,638	371,763	4,02,21,048
Other expenses	24	3,509,400	41,54,77,881	4,188,064	45,31,06,609
<b>Total expenses</b>		<b>10,295,994</b>	<b>1,21,89,42,695</b>	<b>12,385,428</b>	<b>1,33,99,79,469</b>
<b>Profit before exceptional items and tax</b>		<b>71,147</b>	<b>84,23,101</b>	<b>808,474</b>	<b>8,74,68,775</b>
Exceptional item		-	-	-	-
<b>Profit before tax</b>		<b>71,147</b>	<b>84,23,101</b>	<b>808,474</b>	<b>8,74,68,775</b>
<b>Tax expense</b>	25				
a) Current tax		-	-	-	-
b) Deferred tax		-	-	-	-
c) Adjustment of tax relating to earlier periods		-	-	-	-
<b>Profit for the period</b>		<b>71,147</b>	<b>84,23,101</b>	<b>808,474</b>	<b>8,74,68,775</b>
<b>Profit/ (loss) from discontinued operations</b>					
Tax income/(expense) of discontinued operations					
<b>Profit/ (loss) from discontinued operations (after tax)</b>		-	-	-	-
<b>Profit/(loss) for the period</b>		<b>71,147</b>	<b>84,23,101</b>	<b>808,474</b>	<b>8,74,68,775</b>
<b>Attributable to:</b>					
<b>Owners of the parent</b>					
<b>Non- controlling interest</b>					
<b>Other comprehensive income</b>					
- Exchange variation on foreign currency translation		-	(17,10,883)	-	7,91,173
		-	(17,10,883)	-	7,91,173
<b>Total comprehensive income for the year</b>		<b>71,147</b>	<b>67,12,218</b>	<b>808,474</b>	<b>8,82,59,949</b>
<i>(Comprising Profit and Other Comprehensive Income for the year)</i>					
<b>Earnings per equity share</b>					
Basic (in ₹)		0.05	6	0.58	62
Diluted (in ₹)		0.05	6	0.58	62
No. of Shares		1,400,000	14,00,000	1,400,000	14,00,000

### Notes 1 to 32 form an integral part of these financial statements

This is the statement of profit and loss referred to in our report of even date

## TRANSLATED FINANCIAL STATEMENTS

### Statements of Changes in Equity for the year ended March 31, 2026

#### A. Equity Share Capital

Particulars	Amount	
	GBP	₹
<b>Balance at March 31, 2024</b>	<b>1,400,000</b>	<b>14,70,42,000</b>
Foreign Currency Restatement of Opening Balance	0	79,24,000
<b>Balance at March 31, 2025</b>	<b>1,400,000</b>	<b>15,49,66,000</b>
Foreign Currency Restatement of Opening Balance	0	2,01,74,000
<b>Balance at March 31, 2026</b>	<b>1,400,000</b>	<b>17,51,40,000</b>

#### B. Other Equity

Particulars	Reserves and Surplus		Accumulated other comprehensive income		Deemed equity		Total	
	Retained Earnings		Foreign currency translation reserve		GBP	₹	GBP	₹
	GBP	₹	GBP	₹				
<b>Balance at March 31, 2024</b>	<b>(1,487,108)</b>	<b>(15,75,19,496)</b>	<b>5,926</b>	<b>19,50,973</b>	<b>115,989</b>	<b>1,21,82,301</b>	<b>(1,365,194)</b>	<b>(14,33,86,222)</b>
Foreign currency translation difference on opening balance	-	(70,88,462)	-	-	-	6,56,551	-	(64,31,911)
Profit for the year	808,474	8,74,68,775	-	-	-	-	808,474	8,74,68,775
Foreign currency translation difference on leases	-	-	588	65,053	-	-	588	65,053
Other comprehensive income	-	-	-	7,26,121	-	-	-	7,26,121
Transferred to deemed equity	-	-	-	-	-	-	-	-
<b>Balance at March 31, 2025</b>	<b>(678,634)</b>	<b>(7,71,39,183)</b>	<b>6,514</b>	<b>27,42,146</b>	<b>115,989</b>	<b>1,28,38,852</b>	<b>(556,132)</b>	<b>(6,15,58,185)</b>
Foreign currency translation difference on opening balance	-	(77,57,930)	-	-	-	16,71,372	-	(60,86,558)
Profit for the year	71,147	84,23,101	-	-	-	-	71,147	84,23,101
Foreign currency translation difference on leases	-	-	(2,088)	(2,61,209)	-	-	(2,088)	(2,61,209)
Other comprehensive income	-	-	-	(14,49,674)	-	-	-	(14,49,674)
Transferred to deemed equity	-	-	-	-	-	-	-	-
<b>Balance at March 31, 2026</b>	<b>(607,487)</b>	<b>(7,64,74,012)</b>	<b>4,426</b>	<b>10,31,263</b>	<b>115,989</b>	<b>1,45,10,224</b>	<b>(487,073)</b>	<b>(6,09,32,525)</b>

This is the statement of changes in equity referred to in our report of even date

**Cramlington Precision Forge Limited,  
United Kingdom**

**TRANSLATED FINANCIAL STATEMENTS**

**Cash Flow statement for the year ended March 31, 2026**

Particulars	Year ended March 31, 2026		Year ended March 31, 2025	
	GBP	₹	GBP	₹
<b>A. Cash flows from operating activities</b>				
<b>Profit before tax</b>	71,147	84,23,101	808,474	8,74,68,775
<i>Adjustments to reconcile net income to net cash provided by operating activities</i>				
Depreciation and amortisation	286,989	3,39,76,628	276,358	2,98,99,261
Amortisation of right of use of assets	95,405	1,12,94,998	95,405	1,03,21,788
Interest expense (Net)	210,154	2,48,80,132	240,492	2,60,18,821
Net Foreign exchange loss(net off gain)	33,334	39,46,421	10,475	11,33,314
Financial guarantee expenses	-	-	44,836	48,50,765
Interest income	(31,145)	(36,87,229)	(22,226)	(24,04,613)
<b>Operating profit before working capital changes</b>	<b>665,884</b>	<b>7,88,34,051</b>	<b>1,453,814</b>	<b>15,72,88,112</b>
<b>Adjustments for:</b>				
(Decrease)/ increase in financial liabilities	266,045	3,14,97,091	(1,098,132)	(11,88,06,871)
(Decrease)/ increase in other current liabilities	(36,731)	(43,48,569)	12,629	13,66,313
(Decrease)/ increase in other non-current liabilities	(244,280)	(2,89,20,285)	(185,553)	(2,00,74,954)
Decrease/(Increase) in financial assets	462,818	5,47,93,069	(252,288)	(2,72,95,025)
Decrease/(Increase) in inventories	(126,110)	(1,49,30,156)	1,479,221	16,00,36,944
Increase in short-term loans and advances	275,000	3,25,57,250	-	-
(Increase)/ decrease in other current assets	596,838	7,06,59,626	(152,904)	(1,65,42,644)
<b>Cash from / (used) in operating activities</b>	<b>1,859,464</b>	<b>22,01,42,076</b>	<b>1,256,788</b>	<b>13,59,71,875</b>
Direct taxes paid, net	-	-	-	-
<b>Net cash from/ (used) in operating activities before extraordinary item</b>	<b>1,859,464</b>	<b>22,01,42,076</b>	<b>1,256,788</b>	<b>13,59,71,875</b>
<b>Net cash from / (used) in operating activities</b>	<b>1,859,464</b>	<b>22,01,42,076</b>	<b>1,256,788</b>	<b>13,59,71,875</b>
<b>B. Cash flow from investing activities</b>				
Purchase of assets (including capital work-in-progress and capital advances)	(960,794)	(11,37,48,360)	(955,192)	(10,33,42,264)
Interest received	31,145	3,687,229	22,226	24,04,613
Movement in bank deposits	(154,000)	(1,82,32,060)	(6)	(649)
<b>Net cash from / (used) in investing activities</b>	<b>(1,083,649)</b>	<b>(12,82,93,191)</b>	<b>(932,973)</b>	<b>(10,09,38,301)</b>
<b>C. Cash flow from financing activities</b>				
Proceeds from Short-term borrowings	(440,648)	(5,21,68,332)	66,655	72,11,416
Interest paid to banks and others	(201,803)	(2,38,91,464)	(227,053)	(2,45,64,871)
Payment of lease liabilities	(133,374)	(1,57,90,148)	(163,566)	(1,76,96,182)
<b>Net cash generated from financing activities</b>	<b>(775,825)</b>	<b>(9,18,49,944)</b>	<b>(323,964)</b>	<b>(3,50,49,637)</b>
<b>D. Net cash flow during the year</b>	<b>(10)</b>	<b>(1,059)</b>	<b>(149)</b>	<b>(16,063)</b>
E. Foreign Currency Translation Reserve Impact on cash flows		7,223		3,287
F. Cash and cash equivalents at the beginning	512	56,682	661	69,458
<b>G. Cash and cash equivalents at the end</b>	<b>502</b>	<b>62,846</b>	<b>512</b>	<b>56,682</b>
<b>Cash and cash equivalents comprise of:</b>				
Cash on hand	502	62,846	512	56,682
<b>Cash and cash equivalents as per note 10</b>	<b>502</b>	<b>62,846</b>	<b>512</b>	<b>56,682</b>

This is the statement of cash flows referred to in our report of even date

## TRANSLATED FINANCIAL STATEMENTS

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

#### 1 Corporate Information

Cramlington Precision Forge Limited ("CPFL" or "the Company") was incorporated in UK.

The registered office of the Company is situated at Unit 8, Atley Way, North Nelson Ind. Estate, Cramlington, United Kingdom NE23 9WA.

CPFL is in the business of manufacture and sale of precision forged (warm) components for application in heavy vehicles for on-highway and off-highway applications.

#### 2 Basis of Preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed by Ministry of Corporate Affairs under Companies (Indian Accounting Standards) Rules, 2015, provisions of the Companies Act 2013, to the extent notified, pronouncements of the Institute of Chartered Accountants of India.

The financial statements of the Company have been prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Carrying value of Plant, Property and Equipment, Investment Property under the Previous GAAP has been considered as the deemed cost for the purpose of transition to Ind AS.

#### 3 Summary of accounting policies

##### 3.1 Overall considerations

The financial statements have been prepared applying the significant accounting policies and measurement bases summarized below.

##### 3.2 Foreign operations

In the Company's financial statements, all assets, liabilities and transactions in GBP are translated into INR. The functional currency (GBP) of the Company has remained unchanged during the reporting period.

Assets and liabilities have been translated into INR at the closing rate as at the reporting date. Income and expenses have been translated into INR at the average rate over the reporting period. Exchange differences are charged or credited to Other Comprehensive Income (OCI) and recognized in the currency translation reserve under equity.

##### 3.3 Revenue

###### (i) Sale of products

Income of the Company is derived from sale of products and is net of any sales returns, rebates, discounts and trade discounts. Revenue is recognized when the Company has transferred to the buyer the significant risks and rewards of ownership, which normally takes place upon delivery of goods to customers.

### Notes to financial statements (Contd.)

#### (ii) Rental Income

The Company also earns rental income from operating leases of its investment properties. Rental income is recognised in accordance with terms of lease.

#### 3.4 Property, plant and equipment

As there is no change in the functional currency as at the date of transition, the Company has elected to adopt the carrying value of Plant property and equipment under the Previous GAAP as the deemed cost for the purpose of transition to Ind AS. Capital work in progress, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

#### (i) Buildings and other equipment

Buildings and other equipment (comprising plant, fittings and furniture, vehicles etc.) are initially recognized at acquisition cost, including any costs directly attributable to bringing the assets to the location and condition necessary for them to be of use for company's business purposes. Buildings and other equipment are subsequently measured at cost less accumulated depreciation.

Depreciation is recognized on a straight-line basis, over the useful life of the buildings and other equipments. In respect of these assets, the useful life is detailed below:

Description	Depreciation rate
Buildings	5%
Plant & Equipment	3.33% to 10%
Furniture & Fixtures	10%

#### 3.5 Leases

##### (a) Assets taken on lease

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property, plant and equipment. In addition, the right-of-use

# Cramlington Precision Forge Limited, United Kingdom

## TRANSLATED FINANCIAL STATEMENTS

---

### Notes to financial statements (Contd.)

asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in the statement of profit and loss if the carrying amount of the right-of-use asset has been reduced to zero. The Company presents right-of-use assets and lease liabilities separately on the face of the balance sheet.

### 3.6 Financial instruments

#### Recognition, initial measurement and derecognition

Financial assets (other than trade receivables) and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value. Trade receivables are recognised at their transaction value as the same do not contain significant financing component.

A payable is classified as 'trade payable' if it is in respect of the amount due on account of goods purchased in the normal course of business. They are recognised at their transaction value as the same do not contain significant financing component.

#### Classification and subsequent measurement of financial assets:

For the purpose of subsequent measurement, financial assets are classified and measured based on the entity's business model for managing the financial asset and the contractual cash flow characteristics of the financial asset at:

- Amortised cost
- Fair Value Through Other Comprehensive Income (FVTOCI) or
- Fair Value Through Profit or Loss (FVTPL)

### Notes to financial statements (Contd.)

#### 3.7 Inventories

Inventories are valued at lower of cost or net realizable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and the estimated costs necessary to make the sale. Cost is ascertained on weighted average basis in accordance with the method of valuation prescribed by the Institute of Chartered Accountants of India.

##### (a) Raw materials

Raw materials are valued at cost of purchase net of duties (credit availed w.r.t taxes and duties) and includes all expenses incurred in bringing the materials to location of use.

##### (b) Work in process and Finished Goods

Work-in-process and finished goods include conversion costs in addition to the landed cost of raw materials.

#### 3.8 Income taxes

Tax expense is recognized in the statement of profit or loss comprises the sum of deferred tax and current tax not recognized in other comprehensive income or directly in equity.

Calculation of current tax is based on tax rates in accordance with tax laws that have been enacted or substantively enacted by the end of the reporting period. Deferred income taxes are calculated using the liability method on temporary differences between tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at reporting date. Deferred taxes pertaining to items recognised in other comprehensive income are disclosed under the same.

Deferred tax assets are recognized to the extent that it is probable that the underlying tax loss or deductible temporary difference will be utilized against future tax liability. This is assessed based on the Company's forecast of future earnings, excluding significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit.

#### 3.9 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and deposits held at call with banks.

#### 3.10 Equity, reserves and dividend payments

Share capital represents the nominal (par) value of shares that have been issued and fully paid up.

Retained earnings includes all current and previous period retained profits.

All transactions with owners are recorded separately within equity.

Dividend paid to equity shareholders is deducted directly from equity component.

**Notes to financial statements (Contd.)****3.11 Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

**Retirement benefits**

Contributions in respect of the company's defined contribution pension scheme are charged to the profit and loss account for the year in which they are payable to the scheme. Differences between contributions payable and contributions actually paid in the year are shown as either accruals or prepayments at the year end.

**Government Grants**

Deferred government grants in respect of capital expenditure are treated as deferred income and are credited to the profit and loss account over the estimated useful life of the assets to which they relate.

**3.12 Accounting for effect of change in foreign exchange rates**

The Assets and Liabilities as at 31st March 2026 has been translated from GBP to Indian Rupees by applying the exchange rate of GBP 1 = Rs.125.10 (2025 GBP 1 = Rs. 110.69). The incomes and expenses has been translated from GBP to Indian Rupees by applying Average interbank exchange rate GBP 1 = Rs.118.39 (2025: GBP 1 = Rs.108.19). Exchange differences arising out of the translation have been dealt with in accordance with Ind AS 21.

CPFL's Functional Currency is GBP. But these financial statements are presented in Indian Rupees in order to facilitate the preparation of consolidated financial statements by Sundram Fasteners Limited, which is the ultimate holding company of CPFL.

**3.13 Cash flow statement**

Cash flows are reported using the indirect method, whereby profit/(loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future receipts or payments. In the cash flow statement, cash and cash equivalents includes cash in hand, cheques on hand, balances with banks in current accounts and other short-term highly liquid investments with original maturities of 3 months or less, as applicable.

**Notes to financial statements (Contd.)****3.14 Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is necessary to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed in the period in which they are incurred under finance costs. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to interest costs.

**4. Significant management judgment in applying accounting policies and estimation of uncertainty**

While preparing the financial statements, management has made a number of judgments, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

**4.1 Significant management judgment**

The following are significant management judgments in applying the accounting policies of the Company that have the most significant effect on the financial statements.

**4.2 Estimation of uncertainty**

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

**4.3 Useful lives of depreciable assets**

Management has reviewed its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technological obsolescence that may change the utility of assets including I.T assets.

**4.4 Inventories**

Management has carefully estimated the net realizable values of inventories, taking into account the most reliable evidence available at each reporting date. The future realization of these inventories may be affected by market-driven changes.

**4.5 Current and non-current classification**

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle.

**Cramlington Precision Forge Limited,  
United Kingdom**

**TRANSLATED FINANCIAL STATEMENTS**

**Notes to financial statements (Contd.)**

**5 Property, plant and equipment**

Gross block	Buildings		Plant and Equipment		Furniture and fixtures		Total	
	GBP	₹	GBP	₹	GBP	₹	GBP	₹
<b>As at March 31, 2024</b>	<b>68,812</b>	<b>72,27,325</b>	<b>3,775,846</b>	<b>39,65,77,132</b>	<b>177,932</b>	<b>1,86,88,196</b>	<b>4,022,590</b>	<b>42,24,92,653</b>
Additions	-	-	242,070	2,67,94,770	-	-	242,070	2,67,94,770
Disposal	-	-	-	-	-	-	-	-
Other adjustments								
- Exchange variation (Op. Bal restated)	-	3,89,476	-	2,13,71,290	-	10,07,095	-	2,27,67,860
<b>As at March 31, 2025</b>	<b>68,812</b>	<b>76,16,801</b>	<b>4,017,917</b>	<b>44,47,43,192</b>	<b>177,932</b>	<b>1,96,95,291</b>	<b>4,264,661</b>	<b>47,20,55,284</b>
Additions	-	-	2,330,859	29,15,90,423	-	-	2,330,859	29,15,90,423
Disposal	-	-	-	-	-	-	-	-
Other adjustments								
- Exchange variation (Op. Bal restated)	-	9,91,581	-	5,78,98,178	-	25,64,000	-	6,14,53,759
<b>As at March 31, 2026</b>	<b>68,812</b>	<b>86,08,382</b>	<b>6,348,775</b>	<b>79,42,31,794</b>	<b>177,932</b>	<b>2,22,59,292</b>	<b>6,595,519</b>	<b>82,50,99,466</b>
<b>Accumulated depreciation/ amortisation</b>								
<b>As at March 31, 2024</b>	<b>33,808</b>	<b>35,50,782</b>	<b>2,268,165</b>	<b>23,82,25,388</b>	<b>117,768</b>	<b>1,23,69,174</b>	<b>2,419,743</b>	<b>25,41,45,348</b>
For the year	4,093	4,42,799	261,392	2,82,79,953	10,874	11,76,509	276,359	2,98,99,261
Impairment for the year	-	-	-	-	-	-	-	-
Deduction on sale or discards	-	-	-	-	-	-	-	-
Other adjustments								
- Exchange variation (Op. Bal restated)	-	1,91,355	-	1,28,37,815	-	6,66,567	-	1,36,95,737
- Restating to Closing rate - CY Depreciation	-	10,232	-	6,53,479	-	27,186	-	6,90,897
<b>As at March 31, 2025</b>	<b>37,901</b>	<b>41,95,168</b>	<b>2,529,557</b>	<b>27,99,96,635</b>	<b>128,642</b>	<b>1,42,39,437</b>	<b>2,696,102</b>	<b>29,84,31,242</b>
For the year	4,093	4,84,545	272,280	3,22,35,278	10,617	12,56,904	286,990	3,39,76,727
Impairment for the year	-	-	-	-	-	-	-	-
Deduction on sale or discards	-	-	-	-	-	-	-	-
Other adjustments								
- Exchange variation (Op. Bal restated)	-	5,46,154	-	3,64,50,912	-	18,53,738	-	3,88,50,805
- Restating to Closing rate - CY Depreciation	-	27,463	-	18,27,002	-	71,238	-	19,25,702
<b>As at March 31, 2026</b>	<b>41,994</b>	<b>52,53,330</b>	<b>2,801,837</b>	<b>35,05,09,826</b>	<b>139,259</b>	<b>1,74,21,316</b>	<b>2,983,092</b>	<b>37,31,84,476</b>
<b>Net block</b>								
<b>As at March 31, 2025</b>	<b>30,911</b>	<b>34,21,633</b>	<b>1,488,360</b>	<b>16,47,46,557</b>	<b>49,290</b>	<b>54,55,855</b>	<b>1,568,560</b>	<b>17,36,24,042</b>
<b>As at March 31, 2026</b>	<b>26,818</b>	<b>33,55,052</b>	<b>3,546,938</b>	<b>44,37,21,967</b>	<b>38,673</b>	<b>48,37,975</b>	<b>3,612,428</b>	<b>45,19,14,990</b>

Notes to financial statements (Contd.)

a) Disclosure of reconciliation between cash flows and notes

Particulars	As at	As at	As at	As at
	March 31, 2026	March 31, 2026	March 31, 2025	March 31, 2025
	GBP	₹	GBP	₹
<b>Cash flows from investing activities</b>				
Additions to property, plant and equipment, intangible assets and intangible assets under development	(2,330,859)	(29,15,90,423)	242,070	2,67,94,770
Movement in capital work-in-progress	1,370,065	17,78,42,063	713,122	8,31,18,300
Movement in capital advances	-	-	-	-
Movement in retention money payables	-	-	-	-
Other movements	-	-	-	-
<b>Acquisition of property, plant and equipment, intangible assets and intangible assets under development</b>	<b>(960,794)</b>	<b>(11,37,48,360)</b>	<b>955,192</b>	<b>10,99,13,071</b>

b) Capital Work-in-Progress

As at 31 March 31, 2025	-	-	1,452,144	16,07,37,803	-	-	1,452,144	16,07,37,803
As at 31 March 31, 2026	-	-	82,079	1,02,68,058	-	-	82,079	1,02,68,058

Capital work-in-progress (CWIP)

Particulars	Buildings		Plant and Equipment		Furniture and fixtures		Total	
	GBP	₹	GBP	₹	GBP	₹	GBP	₹
As at 1st April 2024	-	-	739,022	7,76,19,465	-	-	739,022	7,76,19,465
Additions	-	-	955,192	10,99,13,071	-	-	955,192	10,99,13,071
Capitalised during the year	-	-	242,070	2,67,94,770	-	-	242,070	2,67,94,770
As at March 2025	-	-	1,452,144	16,07,37,765	-	-	1,452,144	16,07,37,765
As at 1st April 2025	-	-	1,452,144	16,07,37,765	-	-	1,452,144	16,07,37,765
Additions	-	-	960,794	14,11,20,716	-	-	960,794	14,11,20,716
Capitalised during the year	-	-	2,330,859	29,15,90,423	-	-	2,330,859	29,15,90,423
As at March 2026	-	-	82,079	1,02,68,058	-	-	82,079	1,02,68,058

# Cramlington Precision Forge Limited, United Kingdom

## Notes to financial statements (Contd.)

CWIP ageing for the year ended 31st March 2026

CWIP	Amount in GBP				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	82,079	-	-	-	82,079
Projects temporarily suspended					-

CWIP ageing for the year ended 31st March 2026

CWIP	Amount in INR				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	1,02,68,058	-	-	-	1,02,68,058
Projects temporarily suspended					-

CWIP ageing for the year ended 31st March 2025

CWIP	Amount in GBP				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	815,412	437,776	198,956	-	1,452,144
Projects temporarily suspended					-

CWIP ageing for the year ended 31st March 2025

CWIP	Amount in INR				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	9,02,57,954	4,84,57,402	2,20,22,409	-	16,07,37,765
Projects temporarily suspended					-

## TRANSLATED FINANCIAL STATEMENTS

### Notes to financial statements (Contd.)

#### 6 RIGHT OF USE OF ASSETS

Gross block	Building		Total	
	GBP	₹	GBP	₹
<b>As at March 31, 2024</b>	<b>1,265,977</b>	<b>12,99,50,537</b>	<b>1,265,977</b>	<b>12,99,50,537</b>
Additions	-	-	-	-
Disposal	-	-	-	-
Other Adjustments	-	-	-	-
Exchange variation on lease adjustments	<b>(36,968)</b>		<b>(36,968)</b>	-
- Exchange variation (Op. Bal restated)		-		-
<b>As at March 31, 2025</b>	<b>1,229,009</b>	<b>12,99,50,537</b>	<b>1,229,009</b>	<b>12,99,50,537</b>
Additions	-	-	-	-
Disposal	-	-	-	-
Other Adjustments				-
Exchange variation on lease adjustments	<b>(68,029)</b>		<b>(68,029)</b>	-
- Exchange variation (Op. Bal restated)		-		-
<b>As at March 31, 2026</b>	<b>1,160,980</b>	<b>12,99,50,537</b>	<b>1,160,980</b>	<b>12,99,50,537</b>
<b>Accumulated depreciation</b>				
<b>As at March 31, 2024</b>	<b>543,015</b>	<b>5,40,17,859</b>	<b>543,015</b>	<b>5,40,17,859</b>
For the year ended	95,404	1,03,21,788	95,404	1,03,21,788
Disposals / other adjustments	-	-	-	-
Other Adjustments	-	-	-	-
- Exchange variation (Op. Bal restated)	-	-	-	-
Exchange variation on lease adjustments			-	-
- Restating to Closing rate - CY Depreciation		2,38,511	-	2,38,511
<b>As at March 31, 2025</b>	<b>638,419</b>	<b>6,45,78,157</b>	<b>638,419</b>	<b>6,45,78,157</b>
For the year ended	95,404	1,12,94,911	95,404	1,12,94,911
Disposals / other adjustments	-	-	-	-
Other Adjustments	-	-	-	-
- Exchange variation (Op. Bal restated)			-	-
Exchange variation on lease adjustments			-	-
- Restating to Closing rate - CY Depreciation		6,40,163	-	6,40,163
<b>As at March 31, 2026</b>	<b>733,824</b>	<b>7,65,13,231</b>	<b>733,824</b>	<b>7,65,13,231</b>
<b>Net block</b>				
<b>As at March 31, 2025</b>	<b>590,590</b>	<b>6,53,72,379</b>	<b>590,590</b>	<b>6,53,72,379</b>
<b>As at March 31, 2026</b>	<b>427,157</b>	<b>5,34,37,306</b>	<b>427,157</b>	<b>5,34,37,306</b>

**Cramlington Precision Forge Limited,  
United Kingdom**

**TRANSLATED FINANCIAL STATEMENTS**

Notes to financial statements (Contd.)

	As at March 31, 2026				As at March 31, 2025			
	Long-term		Short-term		Long-term		Short-term	
	GBP	₹	GBP	₹	GBP	₹	GBP	₹
<b>7 OTHER ASSETS</b>								
(Unsecured considered good)								
Prepaid expenses	-	-	276,107	3,45,41,029	-	-	269,041	2,97,80,123
Capital advance	-	-	-	-	-	-	-	-
Balance with statutory/government authorities	-	-	144,057	1,80,21,518	-	-	163,134	1,80,57,342
Advances to suppliers	-	-	199,238	2,49,24,698	-	-	620,631	6,86,97,653
	-	-	619,402	7,74,87,245	-	-	1,052,806	11,65,35,120

	As at March 31, 2026				As at March 31, 2025			
	Long-term		Short-term		Long-term		Short-term	
	GBP	₹	GBP	₹	GBP	₹	GBP	₹
<b>8 INVENTORIES</b>								
Raw Materials and components	-	-	543,604	6,80,04,907	-	-	574,590	6,36,01,414
Goods In transit (Raw Materials and components)	-	-	-	-	-	-	-	-
Work-in-progress	-	-	1,267,597	15,85,76,402	-	-	1,205,683	13,34,57,046
Finished Goods	-	-	414,699	5,18,78,849	-	-	319,517	3,53,67,362
	-	-	2,225,901	27,84,60,158	-	-	2,099,791	23,24,25,823

	As at March 31, 2026				As at March 31, 2025			
	Long-term		Short-term		Long-term		Short-term	
	GBP	₹	GBP	₹	GBP	₹	GBP	₹
<b>9 TRADE RECEIVABLES</b>								
(Unsecured, considered good unless otherwise stated)								
Trade receivables	-	-	1,013,752	12,68,20,356	-	-	1,476,570	16,34,41,560
	-	-	1,013,752	12,68,20,356	-	-	1,476,570	16,34,41,560
Doubtful	-	-	-	-	-	-	-	-
Less : Provision for bad and doubtful debts	-	-	-	-	-	-	-	-
	-	-	1,013,752	12,68,20,356	-	-	1,476,570	16,34,41,560

Notes to financial statements (Contd.)

9a) Trade receivable Ageing schedule 2025-26

Particulars		Outstanding for following periods from due date of payment					Total as on 31.03.2026
		Not due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	
<b>Undisputed Trade receivables</b>							
Considered good	GBP	764,114	249,638	-	-	-	1,013,752
	INR	9,55,90,681	3,12,29,675	-	-	-	12,68,20,356

9b) Trade receivable Ageing schedule 2024-25

Particulars		Outstanding for following periods from due date of payment					Total as on 31.03.2025
		Not due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	
<b>Undisputed Trade receivables</b>							
Considered good	GBP	11,76,181	197,843	102,546	-	-	1,476,570
	INR	13,01,91,526	2,18,99,236	1,13,50,798	-	-	16,34,41,560

	As at March 31, 2026				As at March 31, 2025			
	Long-term		Short-term		Long-term		Short-term	
	GBP	₹	GBP	₹	GBP	₹	GBP	₹
<b>10 CASH AND BANK BALANCES</b>								
<b>Cash and cash equivalents</b>								
Cash on hand	-	-	502	62,846	-	-	512	56,682
Cheques on hand	-	-	-	-	-	-	-	-
Balances with banks in current accounts	-	-	-	-	-	-	-	-
(A)	-	-	502	62,846	-	-	512	56,682
<b>Other bank balances</b>								
Earmarked balances with banks - Dividend Warrant Accounts	-	-	-	-	-	-	-	-
Deposits with maturity more than 3 months	-	-	797,000	9,97,04,700	-	-	643,000	7,11,73,670
(B)	-	-	797,000	9,97,04,700	-	-	643,000	7,11,73,670
Less : Amounts disclosed as other non-current assets	(C)							
(A+B-C)	-	-	797,502	9,97,67,546	-	-	643,512	7,12,30,352

# Cramlington Precision Forge Limited, United Kingdom

## TRANSLATED FINANCIAL STATEMENTS

### Notes to financial statements (Contd.)

	As at March 31, 2026			As at March 31, 2025		
	Number	GBP	₹	Number	GBP	₹
<b>11 SHARE CAPITAL</b>						
<b>Issued, subscribed and fully paid up</b>						
14,00,000 Common shares of GBP 1 each	14,00,000	1,400,000	17,51,40,000	14,00,000	1,400,000	15,49,66,000
	14,00,000	1,400,000	17,51,40,000	14,00,000	1,400,000	15,49,66,000

a) There were no movement in the share capital during the current and previous year.

b) Shareholders holding more than 5% of the aggregate shares in the Company

	Nos.	% holding	Nos.	% holding
Sundram International Limited, UK	14,00,000	100.00%	14,00,000	100.00%
	14,00,000	100.00%	14,00,000	100.00%

c) Shares held by promoters at the end of the year

Promoter name	As at March 31, 2026			As at March 31, 2025		
	No. of shares held	% of total shares	% change	No. of shares held	% of total shares	% change
Sundram International Limited, UK	14,00,000	100%	0%	14,00,000	100%	0%

d) Rights, preferences, restrictions

#### Equity shares

The Company has only one class of equity shares having a par value of GBP 1 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividends in GBP. 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.

e) Bonus Shares/ Buy Back/ Shares for consideration other than cash issued during the period of five years immediately preceding the financial year ended 31 March 2026

(i) Aggregate number of equity shares allotted as fully paid up pursuant to contracts without payment being received in cash : Nil

(ii) Aggregate number of equity shares allotted as fully paid up by way of Bonus Shares : Nil

(iii) Aggregate number of equity shares bought back : Nil

f) Capital Management

The Company's capital management objectives are:

- to ensure the Company's ability to continue as a going concern
- to provide an adequate return to shareholders

by pricing products and services commensurately with the level of risk

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Group's capital management is to maximise the shareholder value.

Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

	As at March 31, 2026		As at March 31, 2025	
	GBP	₹	GBP	₹
Borrowings	3,728,524	46,64,38,409	3,894,173	43,10,45,963
Cash and cash equivalents	(502)	(62,846)	(512)	(56,682)
<b>Capital</b>	<b>A</b>	<b>3,728,022</b>	<b>46,63,75,563</b>	<b>3,893,661</b>
Total equity	<b>B</b>	<b>912,927</b>	<b>11,42,07,475</b>	<b>843,867</b>
<b>Overall financing</b>	<b>A+B</b>	<b>4,640,949</b>	<b>58,05,83,038</b>	<b>4,737,528</b>
<b>Gearing ratio</b>		<b>80%</b>	<b>80%</b>	<b>82%</b>

**Notes to financial statements (Contd.)**

12 BORROWINGS	As at March 31, 2026				As at March 31, 2025			
	Long-term		Short-term		Long-term		Short-term	
	GBP	₹	GBP	₹	GBP	₹	GBP	₹
<b>a) Secured</b>								
Bank Overdrafts (refer note below)			2,613,524	32,69,51,909			2,859,173	31,64,81,813
	-	-	2,613,524	32,69,51,909	-	-	2,859,173	31,64,81,813
Less: Current maturities of long term borrowings	-	-	-	-	-	-	-	-
	-	-	2,613,524	32,69,51,909	-	-	2,859,173	31,64,81,813
<b>b) Unsecured</b>								
Working Capital Loans - from related parties (refer note below)	1,025,000	12,82,27,500	90,000	1,12,59,000	750,000	8,30,17,500	285,000	3,15,46,650
	1,025,000	12,82,27,500	90,000	1,12,59,000	750,000	8,30,17,500	285,000	3,15,46,650
<b>Total</b>	<b>1,025,000</b>	<b>12,82,27,500</b>	<b>2,703,524</b>	<b>33,82,10,909</b>	<b>750,000</b>	<b>8,30,17,500</b>	<b>3,144,173</b>	<b>34,80,28,463</b>

**c) Working Capital Secured**

The outstanding working capital facilities of GBP 2.6 million equivalent to Rs. 32.69 crores(March 31, 2025: GBP 2.9 million equivalent to Rs. 31.64 crores) carrying interest rate being base rate + agreed spread per annum. These are secured by fixed and floating charges over all the assets and undertaking including all present and future freehold and leasehold property, book and other debts, chattels and goodwill and uncalled capital, both present and future.

Unsecured working capital loans from company's parent undertaking and is repayable on Sept 2026 & December 2026. Interest is charged at 2.61%/2.92% per annum.

Working capital loans were applied for the purpose they were obtained. Further, short term loans availed have not been utilised for long term purposes by the Company.

**d) Reconciliation of cash flow from financing activities**

	As at March 31, 2026		As at March 31, 2025	
	GBP	₹	GBP	₹
Cash and cash equivalents	(502)	(62,846)	(512)	(56,682)
Current borrowings	2,703,524	33,82,10,909	3,144,173	34,80,28,463
Non-current borrowings	1,025,000	12,82,27,500	750,000	8,30,17,500
Lease liabilities	439,877	5,50,28,563	630,581	6,97,99,025
Net debt	4,167,899	52,14,04,126	4,524,242	50,07,88,306

Particulars	Other assets		Liabilities from financing activities		Liabilities from financing activities		Liabilities from financing activities		Total	
	Cash and cash equivalents		Current borrowings		Non-current borrowings		Lease liabilities			
	GBP	₹	GBP	₹	GBP	₹	GBP	₹	GBP	₹
Net debt as at April 1, 2025	(512)	(56,682)	3,144,173	34,80,28,463	750,000	8,30,17,500	630,581	6,97,99,025	4,524,242	50,07,88,306
Net cash flows from financing activities	10	(6,163)	-	-	-	-	-	-	10	(6,163)
Proceeds from / (Repayment of) borrowings, net	-	-	(440,648)	(98,17,554)	275,000	4,52,10,000	-	-	(165,648)	3,53,92,446
Foreign exchange adjustments	-	-	-	-	-	-	(57,331)	10,19,686	(57,331)	10,19,686
New lease	-	-	-	-	-	-	-	-	-	-
Payment of lease liabilities	-	-	-	-	-	-	(133,374)	(1,57,90,148)	(133,374)	(1,57,90,148)
Interest Expenses	-	-	-	-	-	-	8,351	9,88,668	8,351	9,88,668
Interest Paid	-	-	-	-	-	-	(8,351)	(988,668)	(8,351)	(9,88,668)
Net debt as at March 31, 2026	(502)	(62,846)	2,703,524	33,82,10,909	1,025,000	12,82,27,500	439,877	5,50,28,563	4,167,899	52,14,04,126

# Cramlington Precision Forge Limited, United Kingdom

## Notes to financial statements (Contd.)

Particulars	Other assets		Liabilities from financing activities		Liabilities from financing activities		Liabilities from financing activities		Total	
	Cash and cash equivalents		Current borrowings		Non-current borrowings		Lease liabilities		GBP	₹
	GBP	₹	GBP	₹	GBP	₹	GBP	₹		
Net debt as at April 1, 2024	(661)	(69,458)	3,077,517	32,32,31,660	750,000	7,87,72,500	786,958	8,26,54,167	4,613,815	48,45,88,869
Net cash flows from financing activities	149	12,776	-	-	-	-	-	-	149	12,776
Proceeds from borrowings	-	-	66,656	2,47,96,803	-	42,45,000	-	-	66,656	2,90,41,803
Foreign exchange adjustments	-	-	-	-	-	-	-	-	-	-
New lease	-	-	-	-	-	-	-	-	-	-
Payment of lease liabilities	-	-	-	-	-	-	(156,377)	(1,28,55,142)	(156,377)	(1,28,55,142)
Interest Expenses	-	-	-	-	-	-	14,292	15,46,245	14,292	15,46,245
Interest Paid	-	-	-	-	-	-	(14,292)	(15,46,245)	(14,292)	(15,46,245)
Net debt as at March 31, 2025	(512)	(56,682)	3,144,173	34,80,28,463	750,000	8,30,17,500	630,581	6,97,99,025	4,524,242	50,07,88,306

13 Lease liabilities	As at March 31, 2026				As at March 31, 2025			
	Long-term		Short-term		Long-term		Short-term	
	GBP	₹	GBP	₹	GBP	₹	GBP	₹
Lease liabilities (also refer note 27)	321,807	4,02,58,101	118,069	1,47,70,462	508,638	5,63,01,126	121,943	1,34,97,899
<b>Total</b>	<b>321,807</b>	<b>4,02,58,101</b>	<b>118,069</b>	<b>1,47,70,462</b>	<b>508,638</b>	<b>5,63,01,126</b>	<b>121,943</b>	<b>1,34,97,899</b>

14 TRADE PAYABLES	As at March 31, 2026				As at March 31, 2025			
	Long-term		Short-term		Long-term		Short-term	
	GBP	₹	GBP	₹	GBP	₹	GBP	₹
Dues to others	-	-	3,349,480	41,90,19,902	-	-	2,946,744	32,61,75,096
<b>Total</b>	<b>-</b>	<b>-</b>	<b>3,349,480</b>	<b>41,90,19,902</b>	<b>-</b>	<b>-</b>	<b>2,946,744</b>	<b>32,61,75,096</b>

### 14 a) Trade payable ageing schedule 2025-26

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	Total as on 31.03.2026
<b>Undisputed dues</b>						
Others	GBP	391,304	2,760,390	197,785	-	3,349,480
	INR	4,89,52,128	34,53,24,835	2,47,42,939	-	41,90,19,902

### 14 b) Trade payable ageing schedule 2024-25

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	Total as on 31.03.2025
<b>Undisputed dues</b>						
Others	GBP	498,192	1,606,713	841,839	-	2,946,744
	INR	5,51,44,885	17,78,47,075	9,31,83,136	-	32,61,75,096



# Cramlington Precision Forge Limited, United Kingdom

## Notes to financial statements (Contd.)

	Year ended March 31, 2026		Year ended March 31, 2025	
	GBP	₹	GBP	₹
<b>18 OTHER INCOME</b>				
Interest Income	31,145	36,87,229	22,226	24,04,613
Write-back of loss allowance on Trade Receivables	-	-	-	-
Other Non-operating Income (Miscellaneous Income)	410,004	4,85,40,387	484,616	5,24,30,592
	<b>441,149</b>	<b>5,22,27,616</b>	<b>506,842</b>	<b>5,48,35,205</b>
<b>19 COST OF RAW MATERIALS AND COMPONENTS CONSUMED</b>				
Opening stock of raw materials and components	574,590	6,36,01,414	1,251,423	13,14,36,958
Add : Exchange rate fluctuation on account of average rate transferred to currency translation reserve		44,24,346		39,54,497
Add : Purchases during the year	3,379,219	40,00,65,700	2,796,506	30,25,53,939
Less : Exchange rate fluctuation on account of average rate transferred to currency translation reserve		(36,47,585)		(14,36,476)
Less: Closing stock of raw materials and components	543,604	6,80,04,907	574,590	6,36,01,414
	<b>3,410,205</b>	<b>40,37,34,138</b>	<b>3,473,338</b>	<b>37,57,80,456</b>
<b>20 CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS</b>				
<b>A. Opening Stock</b>				
Work-in-progress	1,205,683	13,34,57,046	1,883,777	19,78,53,127
Finished goods	319,517	3,53,67,362	443,812	4,66,13,565
Add / (Less): Exchange rate fluctuation on account of average rate transferred to currency translation reserve		1,17,44,041		73,55,182
	<b>1,525,200</b>	<b>18,05,68,450</b>	<b>2,327,589</b>	<b>25,18,21,874</b>
<b>B. Closing Stock</b>				
Work-in-progress	1,267,597	15,85,76,402	1,205,683	13,34,57,046
Finished goods	414,699	5,18,78,849	319,517	3,53,67,362
Add / (Less): Exchange rate fluctuation on account of average rate transferred to currency translation reserve		1,12,88,207		38,13,000
	<b>1,682,296</b>	<b>19,91,67,044</b>	<b>1,525,200</b>	<b>16,50,11,407</b>
<b>Net (increase) / decrease in inventories</b>	<b>(157,096)</b>	<b>(1,85,98,594)</b>	<b>802,389</b>	<b>8,68,10,466</b>
<b>21 EMPLOYEE BENEFITS EXPENSE</b>				
Salaries and wages	2,376,502	28,13,54,103	2,729,360	29,52,89,412
Contribution to provident and other funds	516,659	6,11,67,309	486,816	5,26,68,645
Staff welfare expenses	47,775	56,56,140	93,207	1,00,84,012
	<b>2,940,937</b>	<b>34,81,77,552</b>	<b>3,309,382</b>	<b>35,80,42,069</b>
<b>22 FINANCE COSTS</b>				
Interest expenses				
- on lease liabilities	8,351	9,88,668	14,292	15,46,245
- others	201,803	2,38,91,412	226,200	2,44,72,576
	<b>210,154</b>	<b>2,48,80,080</b>	<b>240,492</b>	<b>2,60,18,821</b>

## TRANSLATED FINANCIAL STATEMENTS

### Notes to financial statements (Contd.)

	Year ended March 31, 2026		Year ended March 31, 2025	
	GBP	₹	GBP	₹
<b>23 DEPRECIATION AND AMORTIZATION EXPENSE</b>				
Depreciation of tangible assets	286,990	3,39,76,727	276,359	2,98,99,261
Depreciation on right of use of asset	95,404	1,12,94,911	95,404	1,03,21,788
Amortization of intangible assets	-	-	-	-
	<b>382,394</b>	<b>4,52,71,638</b>	371,763	4,02,21,048
<b>24 OTHER EXPENSES</b>				
Stores and tools consumed	699,740	8,28,42,220	854,229	9,24,19,078
Power & fuel	515,393	6,10,17,363	535,473	5,79,32,848
Rent	199,768	2,36,50,484	213,589	2,31,08,209
Rates & taxes [excluding taxes on Income]	-	-	-	-
Insurance	207,443	2,45,59,223	244,774	2,64,82,111
Repairs and maintenance				
- Building	30,568	36,18,906	23,173	25,07,112
- Plant & Equipment	480,178	5,68,48,217	432,293	4,67,69,806
- Other assets	-	-	-	-
Sub-contract expenses	944,385	11,18,05,688	1,371,380	14,83,69,582
Freight & Cartage Inward	88,276	1,04,50,971	162,017	1,75,28,639
Commission on sales	-	-	-	-
Directors' Sitting Fees	-	-	-	-
Audit fee	60,306	71,39,675	43,250	46,79,214
Net Foreign exchange loss(net off gain)	33,334	39,46,421	10,475	11,33,314
Freight & Cartage Outward	30,656	36,29,390	10,482	11,34,084
Finance guarantee expenses	-	-	44,836	48,50,765
Security expenses	475	56,235	310	33,539
Miscellaneous expenses (Under this head there is no expenditure which is in excess of 1% of Revenue from Operations or ₹ 10 lakhs whichever is higher)	218,879	2,59,13,090	241,781	2,61,58,309
	<b>3,509,400</b>	<b>41,54,77,881</b>	4,188,064	45,31,06,609
Note:				
Auditor's remuneration				
As auditor	-	-	-	-
Statutory audit	32,891	38,93,965	24,141	26,11,779
Tax audit	-	-	-	-
Limited review of quarterly results	-	-	-	-
Certification	26,665	31,56,917	18,132	19,61,701
In other capacity	-	-	-	-
Taxation matters	-	-	-	-
Other services	750	88,793	977	1,05,734
Reimbursement of expenses	-	-	-	-
	<b>60,306</b>	<b>71,39,675</b>	43,250	46,79,214

# Cramlington Precision Forge Limited, United Kingdom

## Notes to financial statements (Contd.)

	Year ended March 31, 2026		Year ended March 31, 2025	
	GBP	₹	GBP	₹
<b>25 Income Tax</b>				
The major components of income tax expense and the reconciliation of expected tax expense based on the domestic effective tax rate of Cramlington Precision Forge Limited is at 19% and the reported tax expense in profit or loss are as follows:				
<b>Profit or loss section</b>				
Accounting profit before tax	71,147	84,23,101	808,474	8,74,68,775
<b>Accounting profit before income tax</b>				
i) At UK's statutory income tax rate of 19.00% (March 31, 2025: 19.00%)	13,518	16,00,389	153,610	1,66,19,067
Other adjustments	(13,518)	(16,00,389)	(153,610)	(1,66,19,067)
	-	-	-	-

## 26 Computation of Ratios

A.	Ratios	Formula	As at / Year ended March 31, 2026	As at / Year ended March 31, 2025	Variance
(i)	Current Ratio	Current assets / current liabilities	0.73	0.80	(2.44%)
(ii)	Debt-Equity Ratio	Total debt / shareholder's equity	4.08	4.61	(95.81%)*
(iii)	Debt Service Coverage Ratio	Earnings Available for Debt Service / (Interest Payments + Principal Repayments)	1.98	3.65	(36.19%)*
(iv)	Return on Equity Ratio	Net Profit after Tax / Average shareholder's equity	8.11%	180.23%	(186.50%)*
(v)	Inventory turnover ratio	Cost of goods sold / Average inventory	2.27	2.31	(20.89%)
(vi)	Trade Receivables turnover ratio	Revenue from Operations / Average Trade Receivables	8.10	9.80	(8.58%)
(vii)	Trade payables turnover ratio	Net credit purchase / Average Trade Payables	1.56	1.43	(37.00%)*
(viii)	Net capital turnover ratio	Revenue from Operations / working capital	(5.46)	(9.47)	(22.63%)*
(ix)	Net profit ratio	Net Profit after Tax / Revenue from Operations	0.72%	6.37%	(22.88%)*
(x)	Return on Capital employed	Earnings Before Interest and Tax / Capital employed (Equity Share Capital, Other Equity, Borrowings and Lease Liabilities)	5.24%	19.10%	(44.96%)*
(xi)	Return on Investment	Net Return / Cost of Investment	Not applicable	Not applicable	

### B. Explanation for any change in the ratio by more than 25% as compared to the ratio of preceding year:

\* The reason for changes in the above ratios are due to increase in revenue from operations and profit for the year.

## TRANSLATED FINANCIAL STATEMENTS

### Notes to financial statements (Contd.)

#### 27 Leases

The Company has taken buildings under lease for which the lease agreements are generally cancellable in nature and are renewable by mutual consent on agreed upon terms.

##### i) Right-of-use assets

Refer note 6 for detailed break-up of right-of-use assets and depreciation thereon.

##### ii) Lease liabilities

###### Maturity analysis - contractual undiscounted cash flows

Particulars	Year ended March 31, 2026		Year ended March 31, 2025	
	GBP	₹	GBP	₹
Not later than one year	44,371	52,53,043	133,112	1,44,01,387
Later than one year and not later than five years	-	-	44,371	48,00,462
More than five years	-	-	-	-
<b>Total undiscounted lease liabilities</b>	<b>44,371</b>	<b>52,53,043</b>	<b>177,483</b>	<b>1,92,01,850</b>
<b>Lease liabilities</b>				
Current	118,069	1,47,70,462	121,943	1,34,97,899
Non-current	321,807	4,02,58,101	508,638	5,63,01,126
<b>iii) Amounts recognised in profit or loss</b>				
Interest expense on lease liabilities	8,351	9,88,668	14,292	15,46,245
Depreciation of right-of-use assets (refer note 6)	95,404	1,12,94,911	95,404	1,03,21,788
Expenses relating to short-term leases	-	-	-	-
<b>iv) Amounts recognised in the statement of cash flows from Financing activities</b>				
Principal payment of lease liabilities	133,374	1,57,90,148	163,566	1,76,96,182

#### 28 Related party disclosures

##### Related Parties :

##### (I) Where Control exists:

###### (A) Ultimate Holding Company

Sundram Fasteners Limited

###### (B) Holding Company

Sundram International Limited, UK

##### (II) Other Related Parties with whom transactions have been entered into during the year :

###### (A) Fellow Subsidiaries

Sundram Fasteners (Zhejiang) Limited, Republic of China

Sundram International Inc., Michigan, USA

TVS Upasana Limited, Chennai

Sundram Non-Conventional Energy Systems Limited, Chennai

Sundram Fasteners Investments Limited, Chennai.

TVS Next Limited, Chennai (Formerly TVS Infotech Limited)

TVS Next Inc., Michigan, USA (Formerly TVS Infotech Inc)(Subsidiary of TVS Next Ltd.)

**Cramlington Precision Forge Limited,  
United Kingdom**

**TRANSLATED FINANCIAL STATEMENTS**

Notes to financial statements (Contd.)

(III) Transactions with related parties referred in (I) and (II) above, in ordinary course of business:

Nature of transaction	Ultimate Holding Company		Holding Company		Fellow Subsidiary Companies	
	GBP	₹	GBP	₹	GBP	₹
<b>Purchases</b>						
Goods and Materials	1,926,737	22,81,06,334	-	-	-	-
	(1,439,759)	(15,57,67,519)	-	-	-	-
<b>Sales</b>						
Goods and Materials	-	-	-	-	-	-
	-	-	-	-	-	-
<b>Finance</b>						
Inter Corporate Deposit received (Net)	-	-	-	-	-	-
	-	-	-	-	-	-
Interest payable on Inter Corporate Deposit received	-	-	21,733	25,72,936	-	-
	-	-	(21,733)	(23,51,261)	-	-
<b>Others</b>						
Leasing or hire purchase arrangements	-	-	-	-	-	-
	-	-	-	-	-	-
Mis. Income / Services rendered	409,504	4,84,81,192	-	-	-	-
	(234,616)	(2,53,83,092)	-	-	-	-
Guarantees Commission	-	-	-	-	-	-
	(44,836)	(48,50,765)	-	-	-	-
Management contracts, Including deputation of employees	-	-	-	-	-	-
	-	-	-	-	-	-
Guarantees & Collateral	-	-	-	-	-	-
	-	-	-	-	-	-
<b>Outstanding balances</b>						
Due to the Company (Adv.from supplier)	-	-	-	-	-	-
	(234,616)	(2,59,69,632)	-	-	-	-
Due by the Company	2,408,749	30,13,34,517	1,257,281	15,72,85,889	-	-
	(1,715,369)	(18,98,74,202)	(1,155,549)	(12,79,07,672)	-	-

(Previous year figures are in brackets)

Notes to financial statements (Contd.)

Particulars	31-Mar-26						31-Mar-25										
	FVTPL		FVOCI		Amortised Cost		Total		FVTPL		FVOCI		Amortised Cost		Total		
	GBP	₹	GBP	₹	GBP	₹	GBP	₹	GBP	₹	GBP	₹	GBP	₹	GBP	₹	
<b>Financial Assets</b>																	
<b>Current Assets</b>																	
Trade receivables	-	-	-	12,88,20,356	1,013,752	12,88,20,356	-	-	-	-	-	-	1,476,570	16,34,41,560	1,476,570	16,34,41,560	
Other financial assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cash and Cash equivalents	-	-	-	62,846	502	62,846	-	-	-	-	-	-	512	56,682	512	56,682	
Bank balance other than mentioned in cash and cash equivalents	-	-	-	9,97,04,700	797,000	9,97,04,700	-	-	-	-	-	-	643,000	7,11,73,670	643,000	7,11,73,670	
<b>Total Financial Assets</b>	-	-	-	22,85,87,902	1,811,254	22,85,87,902	-	-	-	-	-	-	2,120,082	23,46,71,912	2,120,082	23,46,71,912	
<b>Financial Liabilities</b>																	
<b>Non-current liabilities</b>																	
Borrowings	-	-	-	12,82,27,500	1,025,000	12,82,27,500	-	-	-	-	-	-	750,000	8,30,17,500	750,000	8,30,17,500	
Lease Liabilities	-	-	-	4,02,58,101	321,807	4,02,58,101	-	-	-	-	-	-	508,638	5,63,01,126	508,638	5,63,01,126	
Other financial liabilities	-	-	-	1,77,99,389	142,282	1,77,99,389	-	-	-	-	-	-	199,731	2,21,08,289	199,731	2,21,08,289	
<b>Current liabilities</b>																	
Borrowings	-	-	-	33,82,10,909	2,703,524	33,82,10,909	-	-	-	-	-	-	3,144,173	34,80,28,463	3,144,173	34,80,28,463	
Lease Liabilities	-	-	-	1,47,70,462	118,069	1,47,70,462	-	-	-	-	-	-	121,943	1,34,97,899	121,943	1,34,97,899	
Trade payables	-	-	-	41,90,19,902	3,349,480	41,90,19,902	-	-	-	-	-	-	2,946,744	32,61,75,096	2,946,744	32,61,75,096	
Other financial liabilities	-	-	-	2,00,19,063	160,024	2,00,19,063	-	-	-	-	-	-	290,912	3,22,01,060	290,912	3,22,01,060	
<b>Total Financial Liabilities</b>	-	-	-	97,83,05,326	7,820,187	97,83,05,326	-	-	-	-	-	-	7,962,141	88,13,29,432	7,962,141	88,13,29,432	

Fair value measurement hierarchy

The company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

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

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly

Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

**Cramlington Precision Forge Limited,  
United Kingdom**

**TRANSLATED FINANCIAL STATEMENTS**

**Notes to financial statements (Contd.)**

**29a Accounting classification and fair value**

Particulars	March 31, 2026		March 31, 2026			March 31, 2025			March 31, 2025			
	Carrying amount	GBP	Carrying amount	₹	Fair value			Carrying amount	₹	Fair value		
					Level 1	Level 2	Level 3			Level 1	Level 2	Level 3
<b>Financial assets</b>												
Security deposits #	-	-	-	-	-	-	-	-	-	-	-	-
Trade receivables (including unbilled revenues) #	1,013,752	1,013,752	12,68,20,356	12,68,20,356	-	-	1,476,570	16,34,41,560	-	-	-	-
Cash and cash equivalents #	502	502	62,846	62,846	-	-	512	56,682	-	-	-	-
Bank balance other than cash and cash equivalents #	797,000	797,000	9,97,04,700	9,97,04,700	-	-	643,000	7,11,73,670	-	-	-	-
<b>Total financial assets</b>	<b>1,811,254</b>	<b>1,811,254</b>	<b>22,65,87,902</b>	<b>22,65,87,902</b>	-	-	<b>2,120,082</b>	<b>23,46,71,912</b>	-	-	-	-
<b>Financial liabilities</b>												
Borrowings (including current maturities of term loans from banks) #	1,025,000	1,025,000	12,82,27,500	12,82,27,500	-	-	750,000	8,30,17,500	-	-	-	-
Lease liabilities #	439,877	439,877	5,50,28,563	5,50,28,563	-	-	630,581	6,97,99,025	-	-	-	-
Trade payables #	3,349,480	3,349,480	41,90,19,902	41,90,19,902	-	-	2,946,744	32,61,75,096	-	-	-	-
Interest accrued but not due on borrowings #	142,281	142,281	1,77,99,389	1,77,99,389	-	-	120,549	1,33,43,522	-	-	-	-
Borrowings #	2,703,524	2,703,524	33,82,10,909	33,82,10,909	-	-	3,144,173	34,80,28,463	-	-	-	-
Employee benefits payable #	53,343	53,343	66,73,202	66,73,202	-	-	79,675	88,19,249	-	-	-	-
Other payables #	106,682	106,682	1,33,45,861	1,33,45,861	-	-	290,420	3,21,46,577	-	-	-	-
<b>Total financial liabilities</b>	<b>7,820,186</b>	<b>7,820,186</b>	<b>97,83,05,326</b>	<b>97,83,05,326</b>	-	-	<b>7,962,141</b>	<b>88,13,29,432</b>	-	-	-	-

# For those financial assets and liabilities, which are not carried at its fair value, disclosure of fair value is not required as the carrying amounts approximates the fair values.

**Notes to financial statements (Contd.)**  
**29b Financial instruments- Fair value & risk management (continued)**  
**A Accounting classification and fair value**

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the standalone financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard.

Particulars	Note	March 31, 2026			March 31, 2025					
		Carrying amount ₹	Fair value		Carrying amount ₹	Fair value				
			Level 1	Level 2		Level 3	Level 1	Level 2	Level 3	
<b>Financial assets</b>										
Trade receivables #	9	12,68,20,356	-	-	16,34,41,560	-	-	-	-	-
Cash and cash equivalents #	10	62,846	-	-	-	-	-	-	-	-
Bank balance other than those mentioned in cash and cash equivalents #	10	-	-	-	56,682	-	-	-	-	-
<b>Total financial assets</b>		<b>12,68,83,202</b>	-	-	<b>16,34,98,243</b>	-	-	-	-	-
<b>Financial liabilities</b>										
Borrowings #	12	46,64,38,409	-	-	43,10,45,963	-	-	-	-	-
Lease liabilities #	13	5,50,28,563	-	-	6,97,99,025	-	-	-	-	-
Trade payables #	14	41,90,19,902	-	-	32,61,75,096	-	-	-	-	-
Other payables #	15	3,78,18,452	-	-	5,43,09,349	-	-	-	-	-
<b>Total financial liabilities</b>		<b>97,83,05,326</b>	-	-	<b>88,13,29,433</b>	-	-	-	-	-

# For those financial assets and liabilities, which are not carried at its fair value, disclosure of fair value is not required as the carrying amounts approximates the fair values.

**B Measurement of fair values**

The following table shows the valuation techniques used in measuring Level 2 and Level 3 fair values for financial instruments measured at fair value in balance sheet including the related valuation techniques used.

Type	Valuation technique used	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Investments	Market comparison technique: The valuation model is based on market multiple derived from quoted prices of companies comparable to the investee and the expected EBITDA of the investee. The estimate is adjusted for the effect of non-marketability of the equity securities.	- EBITDA margin - Adjusted market multiple - Adjustment for non-marketability of equity securities	The estimated fair value would increase/ (decrease) if: - EBITDA margin were higher/ (lower) - Adjusted market multiple were higher/ (lower) - Adjustment for non-marketability of equity securities were lower/ (higher)
Derivative liabilities	Market comparison technique: The fair value is determined using quoted forward exchange rates at the reporting dates based on information obtained from respective bankers.	Not applicable	Not applicable

# Cramlington Precision Forge Limited, United Kingdom

## TRANSLATED FINANCIAL STATEMENTS

### Notes to financial statements (Contd.)

#### 29c Financial instruments - fair values and risk management

##### Financial risk management

The company has exposure to the following risks arising from financial instruments:

- Market risk
- Credit risk
- Liquidity risk

##### a) Market risk

##### i) Foreign currency risk

	Short term exposure			Long-term exposure		
	USD	EUR and others	Total	USD	EUR and others	Total
<b>March 31, 2026</b>						
Financial assets	-	-	-	-	-	-
Financial liabilities	-	-	-	-	-	-
	-	-	-	-	-	-
<b>March 31, 2025</b>						
Financial assets	-	-	-	-	-	-
Financial liabilities	-	-	-	-	-	-
	-	-	-	-	-	-

##### ii) Interest rate risk

##### Interest rate exposure

Particulars	Floating rate instruments		Fixed rate instruments		Total	
	GBP	₹	GBP	₹	GBP	₹
	Financial assets	-	-	-	-	-
Financial liabilities	(3,870,806)	(48,42,37,798)	-	-	(3,870,806)	(48,42,37,798)
<b>As at March 31, 2026</b>	<b>(3,870,806)</b>	<b>(48,42,37,798)</b>	-	-	<b>(3,870,806)</b>	<b>(48,42,37,798)</b>
Financial assets	-	-	-	-	-	-
Financial liabilities	(4,014,721)	(44,43,89,485)	-	-	(4,014,721)	(44,43,89,485)
<b>As at March 31, 2025</b>	<b>(4,014,721)</b>	<b>(44,43,89,485)</b>	-	-	<b>(4,014,721)</b>	<b>(44,43,89,485)</b>

##### Interest rate sensitivity

The following table illustrates the sensitivity of profit and equity to a reasonably possible change in interest rates of +/- 1% for the year ended March 31, 2026 and March 31, 2025. These changes are considered to be reasonably possible based on observation of current market conditions.

		As at March 31, 2026	As at March 31, 2025
Increase	+1%	48,42,378	44,43,895
Decrease	-1%	(48,42,378)	(44,43,895)

## TRANSLATED FINANCIAL STATEMENTS

### Notes to financial statements (Contd.)

#### iii) Equity price risk

The company invests in listed and unlisted equity instruments. All investments in equity portfolio are reviewed and approved by the board of directors.

	As at March 31, 2026	As at March 31, 2025
At the reporting date, the exposure to listed equity securities at fair value	-	-

#### b) Credit risk

The carrying amount of financial assets represents the maximum credit exposure.

Particulars	Reference	Carrying amount			
		As at March 31, 2026		As at March 31, 2025	
		GBP	₹	GBP	₹
Trade receivables	(i)	1,013,752	12,68,20,356	1,476,570	16,34,41,560
Security deposits		-	-	-	-
Cash and cash equivalents		502	62,846	512	56,682
Bank balance other than cash and cash equivalents		797,000	9,97,04,700	643,000	7,11,73,670
<b>Total</b>		<b>1,811,254</b>	<b>22,65,87,902</b>	<b>2,120,082</b>	<b>23,46,71,913</b>

#### (i) Trade receivables (including unbilled revenue)

The maximum exposure to credit risk for trade receivables (including unbilled revenue) are as follows:

	As at March 31, 2026		As at March 31, 2025	
	GBP	₹	GBP	₹
Not more than 180 days	1,013,752	12,68,20,356	1,374,024	15,20,90,762
More than 180 days	-	-	102,546	1,13,50,798
<b>Sub-total</b>	<b>1,013,752</b>	<b>12,68,20,356</b>	<b>1,476,570</b>	<b>16,34,41,560</b>
Less: Loss allowance in accordance with expected credit loss model	-	-	-	-
<b>Total</b>	<b>1,013,752</b>	<b>12,68,20,356</b>	<b>1,476,570</b>	<b>16,34,41,560</b>

The composition of trade receivable and unbilled revenue balances are as follows:-

*in INR*

Particulars	Year ended March 31, 2026				Year ended March 31, 2025			
	Weighted average loss rate	Gross carrying amount	Loss allowance	Credit impaired	Weighted average loss rate	Gross carrying amount	Loss allowance	Credit impaired
Not due	0.00%	9,55,90,681	-	-	0.00%	13,01,91,526	-	-
0 to 6 months	0.00%	3,12,29,675	-	-	0.00%	2,18,99,236	-	-
6 months to one year	0.00%	-	-	-	0.00%	1,13,50,798	-	-
More than one year	0.00%	-	-	-	0.00%	-	-	-
<b>Sub-total</b>	<b>0.00%</b>	<b>12,68,20,356</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	<b>16,34,41,560</b>	<b>-</b>	<b>-</b>
Add: Unbilled dues		-	-	-		-	-	-
Add: Disputed trade receivables		-	-	-		-	-	-
<b>Total trade receivables</b>		<b>12,68,20,356</b>	<b>-</b>	<b>-</b>		<b>16,34,41,560</b>	<b>-</b>	<b>-</b>

Note: 1. There are no rebates, discounts, commission, etc., adjusted against the revenue as per contracted price

2. Invoices are issued according to contractual terms which is specific to each customers which is usually payable within 45 to 90 days

**Cramlington Precision Forge Limited,  
United Kingdom**

**TRANSLATED FINANCIAL STATEMENTS**

**Notes to financial statements (Contd.)**

**c) Liquidity risk**

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

*in INR*

	As at March 31, 2026			As at March 31, 2025		
	Carrying amount	Less than 180 days	More than 180 days	Carrying amount	Less than 180 days	More than 180 days
Borrowings and interest thereon	48,42,37,798	33,82,10,909	14,60,26,889	44,43,89,485	34,80,28,463	9,63,61,022
Trade payables	41,90,19,902	22,05,29,611	19,84,90,291	32,61,75,096	13,91,88,151	18,69,86,945
Employee benefits payable	66,73,202	66,73,202	-	88,19,249	88,19,249	-
Other payables	1,33,45,861	1,33,45,861	-	3,21,46,577	2,33,81,811	87,64,766
<b>Total</b>	<b>92,32,76,763</b>	<b>57,87,59,583</b>	<b>34,45,17,180</b>	<b>81,15,30,407</b>	<b>51,94,17,674</b>	<b>29,21,12,733</b>

**30 Contingencies and commitments**

	As at March 31, 2026	As at March 31, 2025
a) Contingent liabilities	-	-
b) Contingent assets	-	-
c) Capital Commitments	-	-

**31 Segment Reporting**

	As at March 31, 2026	As at March 31, 2025
<b>a. Net sales to external customers by geographic area by location of customers</b>		
India	-	-
United States of America	2,97,92,768	8,48,372
United Kingdom	5,18,23,193	4,10,93,517
China	-	-
Rest of the World	1,09,35,22,219	1,33,06,71,150
<b>Total</b>	<b>1,17,51,38,180</b>	<b>1,37,26,13,039</b>
<b>b. Non-current assets (Property, plant and equipment, intangible assets, other non-current assets and goodwill) by geographic areas</b>		
United Kingdom	51,56,20,354	39,97,34,224
<b>c. Trade receivable by geographic areas</b>		
India	-	2,59,69,632
United States of America	1,02,15,592	-
United Kingdom	92,98,294	1,03,56,759
China	-	-
Rest of the World	10,73,06,470	12,71,15,170
<b>Total</b>	<b>12,68,20,356</b>	<b>16,34,41,560</b>

**32** The Company does not have any CWIP which is overdue or has exceeded its cost compared to its original plan.