

Date: February 06, 2026

To,
The Manager
Listing Department
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex
Bandra (East), Mumbai - 400 051
NSE Symbol: DIFFNKG

To,
The Manager
Corporate Relationship Department
BSE Limited
Floor 25, Phiroze Jeejeebhoy
Towers,
Dalal Street, Mumbai - 400 001
BSE Scrip Code - 544264

Dear Sir/Madam,

Sub-: Outcome of Board Meeting held today i.e. Friday, February 06, 2026

Ref: Our Intimation Letter dated February 02, 2026

With reference to our earlier intimation and in accordance with Regulation 30 (read with Part A of Schedule III) and Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), we wish to inform you that the Board of Directors of the Company at its Meeting held today i.e. **Friday, February 06, 2026**, *inter alia*, considered and approved the following matters:

- 1) The Unaudited (Standalone and Consolidated) Financial Results for the quarter and nine months ended December 31, 2025.

In terms of Regulation 33 of the Listing Regulations, we are enclosing herewith the following documents:

- a. Unaudited (Standalone and Consolidated) Financial Results for the quarter and nine months ended December 31, 2025;
- b. Limited Review Report on the said financial results received from the Statutory Auditors of the Company.

- 2) Proposal for acquisition of 10% of shares of Tejorup Sunmay Systems Private Limited

It is further informed that Mr. Ramesh Kumar N has tendered his resignation as the Chief Executive Officer ("Key Managerial Personnel") of the Company vide letter dated February 06, 2026 due to personal reasons. Mr. Ramesh Kumar N will be relieved from the services of the Company with effect from the close of business hours of February 06, 2026.



The details required in terms of Regulation 30 read with Schedule III - Para A of Part A of the Listing Regulations and SEBI Master Circular having reference SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024 issued in this regard is furnished.

The meeting of the Board of Directors of the Company commenced at 3.00 P.M. and concluded at 04:30 P.M.

You are requested to take the above information on your records.

Thanking You.
Yours faithfully,
For **Diffusion Engineers Limited**

Chanchal Jaiswal
Company Secretary and Compliance Officer
ICSI Membership No. A67136

Encl.: A/a



DIFFUSION ENGINEERS LIMITED

Regd. Office : T-5 & 6, M.I.D.C., Hingna Industrial Area, **Nagpur** - 440 016, Maharashtra, INDIA

[t] 091-7104-232890, 234727, 236772, CIN : L99999MH2000PLC124154

[e] info@diffusionengineers.com, [w] www.diffusionengineers.com **GSTIN : 27AAACD8008L1ZK**

Branches At : Ahmedabad • Chennai • Chittorgarh • Faridabad • Jamshedpur • Kolkata • Pune • Raipur • Secunderabad

PGS & Associates

Chartered Accountants

103, Vatsalya Building, 3rd Lane, Hindu Colony, L N Road, Dadar (East), Mumbai- 400014

• Telephone No: 86577 41103 / 87790 57086 • Email ID: info@pgsca.in

Independent Auditor's Review Report on Standalone Unaudited Quarterly Financial Results and Year to Date Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To,
The Board of Directors,
Diffusion Engineers Limited
Nagpur.

1. We have reviewed the accompanying Statement of Unaudited Standalone Financial Results of Diffusion Engineers Limited ("the Company"), for the quarter ended 31st December, 2025 and year to date results for the period 1st April 2025 to 31st December, 2025 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. The figures for the quarter ended 31st December, 2025 are the balancing figures between the unaudited reviewed standalone figures for the nine months period ended 31st December 2025 and unaudited, reviewed published standalone figures of half ended 30th September 2025.

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The figures for the year ended 31st March, 2025 are extracted from the audited Financials Statement of that period. Our conclusion in respect of matter stated above is not modified.

6. The accompanying statement of quarterly and year to date interim standalone financial result include the financial results in respect of Diffusion ESOP Trust whose interim financial results and other financial information reflect total revenue of Rs. Nil and Rs. Nil, total net loss after tax of Rs. 2,871/- and Rs.2,871/- and total comprehensive loss of Rs.2,871/- and Rs. 2,871/- for the quarter ended and nine months period ended on that date respectively as considered in the statement which have not been reviewed by the auditor of Diffusion ESOP Trust and such Financials are considered based on management certified accounts.

Our opinion on the statement is not modified in respect of the above matter.

7. Other Matters

The Standalone unaudited financial results include the one foreign branch which has not been reviewed by their auditor, whose interim financial results reflect total revenues of Rs. 2.04 million, total loss of Rs. (0.54) million and total comprehensive income of Rs. (0.54) million for the quarter ended 31st December, 2025 and total revenues of Rs. 2.46 million, total net loss of Rs. (4.05) million and total comprehensive income of Rs. (4.05) million for the year to date results for the period 1st April 2025 to 31st December, 2025 as considered in the Statement. According to the information and explanations given to us by the Management.

The aforesaid branch located outside India whose financial result and other financial information have been prepared in accordance with accounting principles generally accepted in respective countries. Company's management has converted the financial results of the branch located outside India for accounting principles generally accepted in their respective countries to accounting generally accepted in India. We have reviewed these changes made by the Company's management. Our conclusion is so far as it relates to the balances and affairs of such branch located outside India is based on the report of management certified accounts and conversion adjustments prepared by the management of the Company and reviewed by us.

Our opinion on the statement is not modified in respect of the above matters with respect to our reliance on the work done and the financial information certified by the Board of Directors.

For PGS & Associates

Chartered Accountants

Firm Registration Number: 122384W

Premal Gandhi

Premal Gandhi

Partner

Membership Number: 111592

Place: Mumbai

Date: 6th February 2026

UDIN: 261115920C29AF6341



DIFFUSION ENGINEERS LTD
Unaudited Standalone Financial Result for the Quarter / Nine Months ended December 31, 2025

(All amounts in rupees Million, unless otherwise stated Except EPS)

Particulars	Quarter Ended			Nine Months		Year ended
	31 Dec 2025 (Unaudited)	30 Sep 2025 (Unaudited)	31 Dec 2024 (Unaudited)	31 Dec 2025 (Unaudited)	31 Dec 2024 (Unaudited)	31 March 2025 (Audited)
Revenue						
Revenue from operations	876.00	799.61	735.42	2,409.33	2,151.18	3,160.07
Other income	34.85	29.14	(0.36)	165.43	41.17	90.79
Total revenue	910.84	828.75	735.06	2,574.76	2,192.35	3,250.86
Expenses						
Cost of materials consumed	428.29	357.47	390.50	1,128.70	1,203.17	1,680.76
Purchases of stock-in-trade	59.00	81.16	35.59	167.98	105.33	130.67
Changes in inventories of Finished Goods and WIP	(20.70)	(17.94)	(56.53)	(3.41)	(153.00)	(87.90)
Manufacturing expenses	111.39	96.48	116.12	291.71	290.84	428.37
Employee benefit expenses	117.12	113.78	104.88	340.92	292.73	399.15
Finance costs	6.22	4.69	4.55	13.78	17.27	21.95
Depreciation and amortization expenses	15.28	14.28	10.54	43.89	33.38	44.39
Other expenses	64.15	56.80	59.20	168.27	138.30	200.20
Total expenses	780.75	706.72	664.83	2,151.85	1,928.03	2,817.59
Profit/(loss) before Exceptional Items and Tax	130.09	122.03	70.23	422.92	264.33	433.27
Exceptional Items	7.00	-	-	7.00	-	-
Profit/ (loss) before Tax	123.09	122.03	70.23	415.92	264.33	433.27
Tax expenses						
- Current tax	34.00	23.00	7.35	80.00	48.11	94.00
(Excess)/short provision of tax relating of previous years	-	-	-	-	(1.81)	(1.81)
- Deferred tax	0.55	(0.10)	(0.97)	6.21	0.91	3.55
Total tax expenses	34.55	22.90	6.37	86.21	47.21	95.74
Net profit for the period	88.54	99.13	63.86	329.71	217.12	337.53
Other comprehensive income						
(i) Items that will not be reclassified subsequently to profit or loss						
Remeasurements of the defined benefit plans	(2.28)	0.40	5.65	(1.77)	1.60	(1.80)
Income tax effect on above	0.57	(0.10)	(1.26)	0.45	(0.34)	0.41
(ii) Items that will be reclassified to profit or loss in subsequent periods						
Gain / (Loss) on Items designated as Fair Value Through	-	-	-	-	-	-
Other Comprehensive Income	-	-	-	-	-	-
Income tax effect on above	-	-	-	-	-	-
Other comprehensive income for the period, net of tax	(1.71)	0.30	4.39	(1.33)	1.27	(1.39)
Total comprehensive income / (loss) for the period	86.83	99.43	68.25	328.38	218.39	336.14
Earnings per equity share						
Earnings per equity share [nominal value of share Rs.10]						
Basic (not annualized except for year end)	2.37	2.65	1.71	8.81	5.80	9.02
Diluted (not annualized except for year end)	2.37	2.65	1.71	8.81	5.80	9.02
The accompanying notes form an integral part of the unaudited standalone financial results						



PRASHANT N. GARG
Chairman & Managing Director
DIN :- 00049106
Place : Nagpur
Date : 6th February, 2026



Notes to unaudited standalone financial results for quarter and period ended 31st December, 2025

1. These unaudited standalone financial results have been prepared in accordance with Indian Accounting Standards (IND-AS) prescribed under Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. The above unaudited standalone financial results for the quarter and period ended 31st December, 2025 in respect of Diffusion Engineers Limited have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at their respective meetings held on 6th February, 2026. The Statutory auditors have expressed unmodified opinion on unaudited financial results for the quarter and period ended 31st December, 2025.
3. The unaudited standalone Financial Results for the quarter ended 31st December, 2025 is the balancing figures between unaudited standalone figures in respect of the half year ended 30th September, 2025 and period ended 31st December, 2025. The figures for the year ended 31st March, 2025 are extracted from the audited Financials Statement of that period.
4. As a result of the Management review mechanism, the Company has one segment "Welding Fabrication Technology and Engineering" which includes Manufacturing, Trading and Job Work.
5. During the quarter ended 30th June, 2025 the Company has received dividend of USD 5,90,000 from its wholly owned subsidiary - Diffusion Engineers Singapore Pte. Ltd.
6. "Diffusion Wear Solutions Middle East for Welding Wire Rods Electrodes and Similar Products Manufacturing LLC – S.P.C", a wholly owned subsidiary was incorporated in United Arab Emirates (UAE) in previous quarter.
7. **Exceptional Item**
On 21 November 2025, the Government of India notified the four Labour Codes - the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 - consolidating 29 existing labour laws (collectively referred to as "the New Labour Codes"). The Ministry of Labour & Employment published draft Central Rules and FAQs to clarify certain aspects and enable assessment of the financial impact due to changes in regulations. Amongst other things, the New Labour Codes prescribes a uniform definition of wages based on which certain employee benefits such as gratuity, leave encashment, contributions to provident fund and statutory bonus are required to be computed. The Group has assessed and disclosed the incremental impact of these changes on the basis of the best information available, consistent with the guidance provided by the Institute



of Chartered Accountants of India. Considering the materiality and the non-recurring nature of the impact of the New Labour Codes, the Group has presented the one-time impact of the New Labour Codes, primarily pertaining to provisions for long-term employee benefits such as gratuity and compensated absences, as an exceptional item in the standalone financial results for the quarter and nine months period ended 31st December, 2025. The Group continues to monitor the developments pertaining to the New Labour Codes and will evaluate the impact, if any, on the measurement of liabilities pertaining to employee benefits.

8. The shareholders of the Company, by way of Postal Ballot through remote e-voting concluded on June 29, 2025, approved the creation, offer, issue, grant and allotment of up to 7,00,000 (Seven Lakh) Employee Stock Options ("Options") to eligible employees of the Company and its subsidiaries under the *Diffusion Engineers Limited - Employee Stock Option Scheme 2025*, and further approved the secondary acquisition of equity shares through an employee welfare trust, namely "Diffusion ESOP Trust" ("Trust"), including the grant of a loan to the irrevocable Trust to enable it to acquire equity shares of the Company by way of secondary acquisition for implementation of the said Scheme.

Pursuant to the above approvals, the Nomination and Remuneration Committee ("NRC"), through a resolution passed by circulation on December 25, 2025, approved the grant of 3,00,000 (Three Lakh) Employee Stock Options to eligible employees under the Scheme at an exercise price of ₹325/- per Option.

Diffusion ESOP Trust holds 3,00,000 equity shares of face value ₹10 each under the Company's ESOP scheme and the grant letters dated 27th December 2025 were given to eligible employees.

9. The figures of previous periods / year are reclassified, regrouped and rearranged wherever necessary so as to make them comparable with current period's figures

**For and on behalf of the Board of Directors
Diffusion Engineers Limited**



Prashant Garg

Managing Director

DIN – 00049106

Place – Nagpur

Date – 6th February 2026



PGS & Associates

Chartered Accountants

103, Vatsalya Building, 3rd Lane, Hindu Colony, L N Road, Dadar (East), Mumbai- 400014

• Telephone No: 86577 41103 / 87790 57086 • Email ID: info@pgsca.in

Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results and Year to Date Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To,
The Board of Directors,
Diffusion Engineers Limited
Nagpur

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of Diffusion Engineers Limited ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group") for the quarter ended 31st December, 2025 and year to date results for the period 1st April 2025 to 31st December, 2025 ("the Statement") being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of Parent's personnel responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The Statement includes the results of the following entities:
Subsidiaries:
 - i. Diffusion Super Conditioning Services Private Limited
 - ii. Nowelco Industries Private Limited
 - iii. Diffusion Hernon Adhesive and Sealant Private Limited
 - iv. Diffusion Engineers Singapore Pte. Ltd.
 - v. Diffusion Wear Solutions Philippines Inc.

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- vi. Diffusion Eurasia Mühendislik Sanayi Ve Ticaret Anonim Sirketi
- vii. Diffusion Wear Solutions Middle East For Welding Wire Rods Electrodes and Similar Products Manufacturing - L.L.C - S.P.C

Associates:

- i. Mecdiff Sdn Bhd
- ii. LSN Diffusion Ltd

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the other auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. The figures for the quarter ended 31st December, 2025 are the balancing figures between the unaudited, reviewed Consolidated nine months figures upto period ended 31st December, 2025 and unaudited, reviewed published consolidated figures of half year ended 30th September, 2025.
The figures for the year ended 31st March, 2025 extracted from the audited Financials Statement of that period.
7. The accompanying statement of quarterly and year to date interim Consolidated financial result include the financial results in respect of Diffusion ESOP Trust whose interim financial results and other financial information reflect total revenue of Rs. Nil and Rs. Nil, total net loss after tax of Rs. 2,871/- and Rs.2,871/- and total comprehensive loss of Rs.2,871/- and Rs. 2,871/- for the quarter ended and nine months period ended on that date respectively as considered in the statement which have not been reviewed by the auditor of Diffusion ESOP Trust and such Financials are considered based on management certified accounts.

Our opinion on the statement is not modified in respect of the above matter

8. Other Matters

We did not review the interim financial results of 7 subsidiaries included in the unaudited consolidated financial results, whose interim financial results reflect total revenues (before consolidation adjustments) of Rs. 155.38 million, total net profit after tax (before consolidation adjustments) of Rs. 13.90 million and total comprehensive income (before consolidation adjustments) of Rs. 15.87 million for the quarter ended 31st December, 2025, as considered in the Statement. These financial statements have been reviewed by other auditors and conversion adjustments prepared by the management of the Parent.

We did not review the interim financial results of 7 subsidiaries included in the unaudited consolidated financial results, whose interim financial results reflect total revenues (before consolidation adjustments) of Rs. 411.72 million, total net profit after tax (before

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consolidation adjustments) of Rs.39.85 million and total comprehensive income (before consolidation adjustments) of Rs. 41.82 million for the year to date results for the period 1st April 2025 to 31st December 2025. These financial statements have been reviewed by other auditors and conversion adjustments prepared by the management of the Parent.

The Statement also includes the Group's share of net profit after tax (before consolidation adjustments) of Rs. 17.67 million for the quarter ended 31st December, 2025 and Rs. 25.51 million for the period from 1 January 2025 to 31st December, 2025 and total comprehensive income (before consolidation adjustments) of Rs. 17.67 million and Rs. 25.51 million, for the quarter ended 31st December, 2025 and Rs. 25.51 million for the period from 1 January 2025 to 31st December, 2025 respectively as considered in the Statement, in respect of the associates, based on their interim financial information which have not been reviewed by their Auditors. According to the information and explanations given to us by the management, these interim financial information are not material to the Group and management certified financial statement and the procedures performed by us as stated in paragraph 3 above.

Our conclusion on the Statement is not modified in respect of this matter.

For PGS & Associates

Chartered Accountants

Firm Registration Number: 122384W

Premal Gandhi

Partner

Membership Number: 111592

Place: Mumbai

Date: 6th February 2026

UDIN: 26111592-PITBDD 6219




DIFFUSION ENGINEERS LTD
Unaudited Consolidated Statement of Profit & Loss for the Quarter / Nine Months ended December 31, 2025

(All amounts in rupees Million, unless otherwise stated Except EPS)

Particulars	Quarter Ended			Nine Months		Year ended
	31 Dec 2025 (Unaudited)	30 Sep 2025 (Unaudited)	31 Dec 2024 (Unaudited)	31 Dec 2025 (Unaudited)	31 Dec 2024 (Unaudited)	31 March 2025 (audited)
Revenue						
Revenue from operations	1,008.24	835.66	791.98	2,650.54	2,327.47	3,351.96
Other income	35.53	30.37	0.25	120.79	42.91	93.27
Total revenue	1,043.77	866.02	792.23	2,771.33	2,370.38	3,445.23
Expenses						
Cost of materials consumed	427.86	333.88	332.31	1,102.65	1,163.61	1,655.23
Purchases of stock-in-trade	126.32	104.01	99.21	271.13	208.55	211.61
Changes in inventories of Finished Goods and WIP	0.06	(32.53)	(52.58)	14.57	(159.78)	(107.21)
Manufacturing expenses	119.38	121.44	128.78	339.32	321.87	468.93
Employee benefit expenses	123.36	120.66	113.65	358.96	308.75	419.02
Finance costs	6.44	5.30	4.66	14.93	18.76	22.74
Depreciation and amortization expenses	17.38	16.30	14.28	49.91	39.62	52.75
Other expenses	76.21	64.52	65.90	199.38	160.72	233.61
Total expenses	897.00	733.58	706.20	2,350.85	2,062.10	2,956.68
Profit/(loss) before Exceptional Items & Tax	146.76	132.44	86.03	420.48	308.28	488.55
Exceptional Items	7.00	-	-	7.00	-	-
Profit before Tax and share of profit / (loss) of Associates and Joint Ventures	139.76	132.44	86.03	413.48	308.28	488.55
Share of profit / (loss) of associates and joint ventures	17.67	(5.92)	(4.64)	25.51	(19.39)	(19.51)
Profit before tax	157.43	126.52	81.39	438.99	288.89	469.04
Tax expenses						
- Current tax	36.78	24.99	11.39	88.44	59.55	106.93
(Excess)/short provision of tax relating of previous years	-	-	(0.00)	-	(1.81)	(1.81)
- Deferred tax	0.54	(0.12)	(1.01)	6.15	0.86	3.50
Total tax expenses	37.33	24.87	10.38	94.59	58.60	108.63
Net profit for the period	120.11	101.65	71.01	344.40	230.29	360.41
Other comprehensive income						
<i>(i) Items that will not be reclassified subsequently to profit or loss</i>						
Remeasurements of the defined benefit plans	(2.28)	0.40	5.65	(1.77)	1.60	(1.80)
Income tax effect on above	0.57	(0.10)	(1.26)	0.45	(0.34)	0.41
<i>(ii) Items that will be reclassified to profit or loss in subsequent periods</i>						
Foreign currency translation of foreign operations	1.38	1.13	(3.37)	1.97	-	1.90
Other comprehensive income for the period, net of tax	(0.33)	1.43	1.03	0.65	1.27	0.51
Total comprehensive income / (loss) for the period	119.77	103.08	73.53	345.05	231.56	360.92
Profit attributable to:						
Owners of the Parent	120.61	100.85	72.12	343.38	228.85	359.09
Non-Controlling Interest	(0.50)	0.80	0.38	1.02	1.45	1.32
Other Comprehensive Income attributable to:						
Owners of the Parent	(0.49)	1.51	1.04	0.56	1.25	0.51
Non-Controlling Interest	0.16	(0.08)	(0.01)	0.09	0.01	0.01
Total Comprehensive Income attributable to:						
Owners of the Parent	120.12	102.37	73.16	343.94	230.10	359.60
Non-Controlling Interest	(0.34)	0.72	0.37	1.11	1.46	1.33
Earnings per equity share						
Earnings per equity share [nominal value of share Rs.10]						
Basic (not annualized except for year end)	3.22	2.69	1.92	9.17	6.11	9.59
Diluted (not annualized except for year end)	3.22	2.69	1.92	9.17	6.11	9.59

The accompanying notes form an integral part of the unaudited Consolidated Financial Results




PRASHANT N. GARG
Chairman & Managing Director
DIN :- 00049106
Place : Nagpur
Date : 6th February, 2026

Notes to unaudited consolidated financial results for quarter and period ended 31st December, 2025

1. These unaudited consolidated financial results have been prepared in accordance with Indian Accounting Standards (IND-AS) prescribed under Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. The above unaudited consolidated financial results for the quarter and period ended 31st December, 2025 in respect of Diffusion Engineers Limited have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at their respective meetings held on 6th February, 2026. The Statutory auditors have expressed unmodified opinion on financial results for the quarter and period ended 31st December, 2025.
3. The unaudited consolidated Financial Results for the quarter ended 31st December, 2025 is the balancing figures between unaudited consolidated figures in respect of the period ended 30th September 2025 and nine months ended 31st December, 2025. The figures for the year ended 31st March, 2025 are extracted from the audited Financials Statement of that period.
4. As a result of the Management review mechanism, the Company has one segment "Welding Fabrication Technology and Engineering" which includes Manufacturing, Trading and Job Work.
5. During the quarter ended 30th June, 2025 the Company has received dividend of USD 5,90,000 from its wholly owned subsidiary - Diffusion Engineers Singapore Pte. Ltd., which has been eliminated while consolidating the above financial result as per IND- AS 110.
6. "Diffusion Wear Solutions Middle East for Welding Wire Rods Electrodes and Similar Products Manufacturing LLC – S.P.C", a wholly owned subsidiary was incorporated in United Arab Emirates (UAE) in previous quarter.

7. Exceptional Item

On 21 November 2025, the Government of India notified the four Labour Codes - the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 - consolidating 29 existing labour laws (collectively referred to as "the New Labour Codes"). The Ministry of Labour & Employment published draft Central Rules and FAQs to clarify certain aspects and enable assessment of the financial impact due to changes in regulations. Amongst other things, the New Labour Codes prescribes a uniform definition of wages based on which certain employee benefits such as gratuity, leave encashment, contributions to provident fund and statutory bonus are required to be computed. The Group has assessed and disclosed the incremental impact of these changes on the basis



of the best information available, consistent with the guidance provided by the Institute of Chartered Accountants of India. Considering the materiality and the non-recurring nature of the impact of the New Labour Codes, the Group has presented the one-time impact of the New Labour Codes, primarily pertaining to provisions for long-term employee benefits such as gratuity and compensated absences, as an exceptional item in the consolidated financial results for the quarter and nine months period ended 31 December 2025. The Group continues to monitor the developments pertaining to the New Labour Codes and will evaluate the impact, if any, on the measurement of liabilities pertaining to employee benefits.

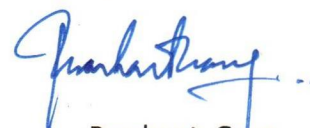
8. The shareholders of the Company, by way of Postal Ballot through remote e-voting concluded on June 29, 2025, approved the creation, offer, issue, grant and allotment of up to 7,00,000 (Seven Lakh) Employee Stock Options ("Options") to eligible employees of the Company and its subsidiaries under the *Diffusion Engineers Limited - Employee Stock Option Scheme 2025*, and further approved the secondary acquisition of equity shares through an employee welfare trust, namely "Diffusion ESOP Trust" ("Trust"), including the grant of a loan to the irrevocable Trust to enable it to acquire equity shares of the Company by way of secondary acquisition for implementation of the said Scheme.

Pursuant to the above approvals, the Nomination and Remuneration Committee ("NRC"), through a resolution passed by circulation on December 25, 2025, approved the grant of 3,00,000 (Three Lakh) Employee Stock Options to eligible employees under the Scheme at an exercise price of ₹325/- per Option.

Diffusion ESOP Trust holds 3,00,000 equity shares of face value ₹10 each under the Company's ESOP scheme and the grant letters dated 27th December 2025 were given to eligible employees.

9. The figures of previous periods / year are reclassified, regrouped and rearranged wherever necessary so as to make them comparable with current period's figures.

**For and on behalf of the Board of Directors
Diffusion Engineers Limited**



Prashant Garg

Managing Director

DIN – 00049106

Place – Nagpur

Date – 6th February 2026



2. The details required with respect to proposed acquisition in terms of Regulation 30 read with Schedule III - Para A of Part A of the Listing Regulations and SEBI Master Circular having reference SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024 are as under:-

Sr. No.	Particulars	Description
1	Name of the target entity, details in brief such as size, turnover etc.	Name of the target entity: Tejorup Sunmay Systems Private Limited Size/Turnover: Turnover as on March 31, 2025 is 0
2	Whether the acquisition would fall within related party transaction(s) and whether the promoter/promoter group/ group companies have any interest in the entity being acquired? If yes, nature of interest and details thereof and whether the same is done at "arms-length"	No
3	Industry to which the entity being acquired belongs	Defence
4	Objects and impact of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if its business is outside the main line of business of the listed entity)	The proposed acquisition is intended to strengthen the presence of Diffusion Engineers Limited ("Diffusion") in the defence sector. Through this investment, Diffusion proposes to enter into the manufacturing of defence solutions that are designed and developed by Tejorup Sunmay Systems Private Limited. The defence sector is a priority sector and continues to receive significant budgetary allocations from the Government, making it an attractive growth opportunity. The acquisition is therefore aligned with Diffusion's strategic objective of expanding into high-growth and technology-driven segments and is expected to enhance its long-term business prospects.
5	Brief details of any governmental or regulatory approvals required for the acquisition	Not Applicable

6	Indicative time period for completion of the acquisition	12 months
7	consideration- whether cash consideration or share swap or any other form and details of the same	Cash consideration
8	Cost of acquisition and/or the price at which the shares are acquired	Cost of acquisition – Rs. 4.4 Crores (Approximately)
9	Percentage of shareholding / control acquired and / or number of shares acquired	10% (Ten Percent)
10	Brief background about the entity acquired in terms of products/line of business acquired, date of incorporation, history of last 3 years turnover, country in which the acquired entity has presence and any other significant information (in brief)	<p><u>Brief background about the entity</u></p> <p>Tejorup SunMay Systems Private Limited (“Tejorup”), is engaged in the design and development of advanced systems for aerospace, marine, and land applications. Since its incorporation in 2016, Tejorup has been working towards its vision of becoming a leading indigenous Original Equipment Manufacturer (OEM) in India, with a strong focus on innovation and self-reliance in critical defence technologies.</p> <p>Tejorup is led by a team of experts with extensive experience in the avionics and defence engineering industry and is notably involved in the development of indigenous VSHORADS (Very Short Range Air Defence Systems), aimed at strengthening India’s tactical and aerospace defence capabilities. The company is an MSME-registered defence contractor, aligned with the Atmanirbhar Bharat initiative, and operates as a government-sanctioned enterprise in the defence sector.</p> <p><u>Date of incorporation</u> : 11/08/2016</p> <p><u>Country in which the acquired entity has presence:</u> India</p> <p><u>Last 3 years turnover</u></p> <p>FY 2022-23 - Rs. 0 FY 2023-24 - Rs. 0 FY 2024-25 – Rs. 0</p>

2. The details required with respect to resignation of CEO in terms of Regulation 30 read with Schedule III - Para A of Part A of the Listing Regulations and SEBI Master Circular having reference SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024 are as under:-

Sr. No	Details of events that needs to be provided	Information of such event(s)
1.	Name	Mr. Ramesh Kumar N
2.	Reason for change viz. appointment, re-appointment, resignation, removal, death or otherwise;	Resignation as the Chief Executive Officer of the Company due to personal reasons.
3.	Date of cessation	From Closure of business hours on 06-02-2026
4.	Brief profile (in case of appointment);	Not Applicable
5.	Disclosure of relationships between directors (in case of appointment of a director).	Not Applicable
6	Letter of Resignation along with detailed reasons for resignation.	Enclosed

Ramesh Kumar N
Chief Executive Officer

6th Feb 2026
Nagpur

To
The Chairman & Managing Director
Diffusion Engineers Limited
Nagpur

Sub: Resignation from the Position of Chief Executive Officer

Dear CMD

I hereby formally tender my resignation from the position of Chief Executive Officer of Diffusion Engineers Ltd., due to personal reasons. I kindly request that my resignation be accepted and that I be relieved of my responsibilities with immediate effect.

I would like to take this opportunity to express my sincere gratitude for the support, cooperation, and trust extended to me during my tenure as Chief Executive Officer of the Company.

Thank you once again for the opportunity and your understanding.

Yours sincerely,



Ramesh Kumar N