

KEL:SH:SE

Date: September 04, 2026

To,
The Manager-Corporate Relations Department
BSE Limited
1st Floor, P J Towers
Fort, Mumbai- 400 001.

BSE Scrip Code: 500240

Subject: Disclosure under Regulations 30 and 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable regulations – Intimation of Notice of 55th Annual General Meeting and Annual Report for FY 2025-26.

Dear Sir/Madam,

This is to inform you that the 55th Annual General Meeting of the Company will be held on **Tuesday, September 29, 2026 at 11:15 Hrs. (IST)** through Video Conferencing (VC) / Other Audio - Visual Means (OAVM) to transact the businesses as set out in the Notice, pursuant to the relevant circulars issued in this regard by the Ministry of Corporate Affairs and under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) as per details given below:

Sr. No.	Particulars	Dates
1.	Day/Date/Time	Tuesday, September 29, 2026 at 11:15 Hrs. (IST)
2.	Mode	Through Video Conferencing (VC) / Other Audio-Visual means (OAVM)
3.	Cut-off date for e-voting	Wednesday, September 23, 2026
4.	E-Voting start date and time	Saturday, September 26, 2026 at 09:00 A.M. IST
5.	E-Voting end date and time	Monday, September 28, 2026 at 5:00 P.M. IST

Pursuant to Regulations 30 and 34 of the Listing Regulations, please find enclosed herewith Annual Report for the financial year 2025-26 and the Notice convening 55th AGM of the Company.

The aforesaid documents are available on the corporate website of the Company at <https://kineticindia.com/annual-reports/> and are being dispatched electronically to shareholders whose email addresses are registered with the Company and Depositories.

Further, pursuant to Regulation 36(1)(b), the Company has initiated sending physical letters providing the weblink to access the Annual Report to the shareholders whose e-mail ids are not registered with the Company/Depositories/RTA.

This is for your information and records.

Thanking you.

For Kinetic Engineering Limited

Chaitanya
a Mundra

Digitally signed by
Chaitanya Mundra
Date: 2026.09.04
14:01:52 +05'30'



Chaitanya Mundra
Company Secretary and Compliance Officer

KINETIC ENGINEERING LTD

Registered Address:

D1 Block, Plot No.18/2,
Chinchwad, Pune
Maharashtra India 411019

Factory Address:

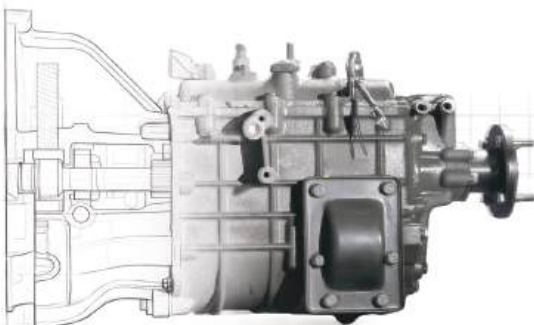
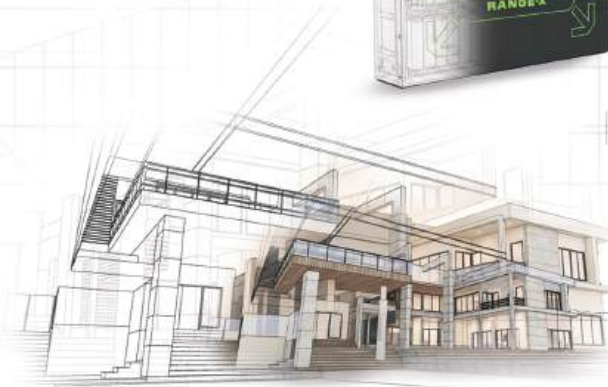
Kinetic Manufacturing Plant
Nagar-Daund Road, Ahmednagar
Maharashtra India 414001

Contact: +91 2066142049**Email ID:** kelinvestors@kineticindia.com**Website:** www.kineticindia.com**CIN:** L35912MH1970PLC014819

ANNUAL

REPORT
2025-26

MOMENTUM FOR A NEW ERA



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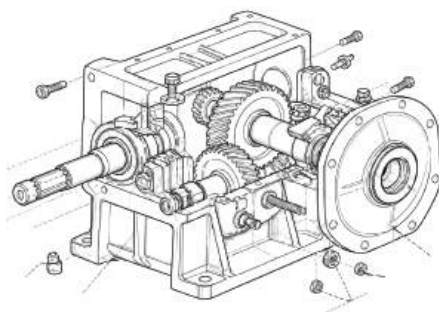
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Forward-looking statement

In this annual report, we have disclosed forward looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make, contain forward looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance. We can guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should kindly bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

THE LEGEND IS REBORN

Kinetic Engineering's legacy is inseparable from India's mobility story - from the Luna that put a nation on two wheels to the DX that redefined convenience.

After decades of engineering excellence in the manufacture of components, the Company has completed the circle with the launch of the allelectric Kinetic DX.

As the auto component business in KEL matures, the subsidiary company Kinetic Watts & Volts stunned the market recently by launching an all-new electric scooter - the Kinetic DX!

Blending timeless design with next-generation technology, advanced LFP batteries, regenerative braking, unique convenience features, digital intelligence, and a robust metal body the DX is both, nostalgia and reinvention.

It marks not just a return to vehicle manufacturing, but a confident stride into India's electric future.

THE LEGEND LIVES AGAIN, REBORN IN AN ELECTRIFYING AVATAAR.



FROM LEGACY TO LEADERSHIP IN ELECTRIC MOBILITY

For over five decades, Kinetic Engineering has been synonymous with innovation in Indian mobility from the iconic Kinetic Luna to pioneering gearless scooters that transformed urban commuting. Guided by the vision of the Late H.K. Firodia, we have continually evolved to stay ahead of industry change.

After a gap of some years from direct vehicle manufacture, our company has returned from back-end components manufacture to front-end personal mobility, leveraging our deep automotive expertise to power an electric mobility future.

During the last few years, we prepared for this by transition from conventional vehicle manufacture to becoming a trusted leader in EV components, producing transmissions,

axles, and chassis for electric two- and three-wheelers. Our strategic focus now extends to motors, controllers, and battery packs, strengthening India's self-reliance in clean mobility technology.

This is now a time for forward integration. We are extending our capabilities from the manufacture of components to complete electric vehicles, starting with the two-wheeler segment, the gateway to personal mobility in India. With EV adoption accelerating, we see the perfect alignment between our engineering strengths and market opportunity.

The Kinetic story has always been about moving people forward. The road ahead will be written in electric blue - bold, innovative, and transformative.



KINETIC DX: THE RIGHT MOVE AT THE RIGHT TIME



The launch of Kinetic DX marks more than the return of a legendary name—it signals Kinetic Engineering's decisive entry into a new era of mobility.

At a time when the global automobile industry is undergoing its most profound transformation in a century, the DX positions us at the intersection of heritage, innovation, and opportunity.

The world is turning electric. In India, the EV two-wheeler segment—already growing at double digits—is projected to expand its market share from 6–7% of the two-wheeler segment to 20–25% by FY 2029–30.

Rising fuel prices, supportive government policies, and rapid advancements in battery and charging technology are accelerating EV adoption. Yet, the market remains fragmented, with space for credible, quality-led brands to lead.

This is where the Kinetic DX comes in. It combines advanced and long-lasting LFP battery technology with segment-first features like K-Coast regenerative braking,

the Telekinetic app, My Kiney Companion voice alerts, and a dedicated button to call our CRM (Kinetic Assist). Built on a durable metal body—a rarity in today's market—the DX offers reliability, safety, and longevity for discerning customers.

Backed by our vertically integrated manufacturing, in-house intellectual property for critical EV components, and a growing dealer-service network, we can deliver quality at scale while controlling cost and innovation cycles as we move to create an exclusive nationwide sales and service network.

The DX, then, is not just a product; it is a statement. It says that Kinetic Engineering has the right technology, the right positioning, and the right vision at exactly the moment the world is ready for it.

The legendary Kinetic DX that changed the way India looked at transportation is reborn & back to the future! The electric future is here, and we are ready to lead it.

CORPORATE SNAPSHOT

Kinetic Engineering Limited is a respected name in India's auto component and two-wheeler eco-system.

The Company possesses more than 50 years of engineering innovation, manufacturing excellence and market leadership.

The Company was founded by visionary industrialists, who created India's iconic two-wheeler - Kinetic Luna.

The Company pioneered fully indigenised vehicle manufacturing, setting benchmarks in self-reliant engineering.



CORPORATE SNAPSHOT

From mopeds to motorcycles and scooterettes, Kinetic built a diverse portfolio that defined personal mobility for decades.

Its legacy includes path-breaking joint ventures with global majors like Honda, Hyosung, SYM, Italjet and many others.

The Company has been a trusted OEM partner delivering precision driveline and transmission components to leading automotive brands.

The Company returned to the manufacture of two-wheeler personal mobility through the launch of an electric scooter in July 2025 through its subsidiary.



Our vision

To be a global leader in automotive and mobility solutions, driving innovation and embracing sustainability through cutting-edge engineering and manufacturing excellence.

Our mission

To drive innovation and excellence in the automotive industry by delivering high-quality components and embracing sustainable technologies.

Innovation and excellence:

KEL emphasises continuous innovation and strives for excellence in engineering, aiming to set industry benchmarks.

Sustainable technologies:

The Company is actively investing in the electric vehicle (EV) sector, reflecting its commitment to sustainable and future-ready technologies.

Our core values

Human relations: We would like to add empathy in all our dealings, whether it is the way our teams working with each other, whether it is the way we work with other people, human relations and empathy scores high

Honesty: At kinetic we believe that honesty and integrity is of the highest importance. In all our dealings whether it is with our supplier partners, customers, employees or any relationships of any of our employees or our way of workings, honesty and integrity comes first.

Excellence: We strive to achieve excellence in all our work, to have excellent product in terms of quality, to have excellent relationship in terms of delivery in terms of cost and in terms of any other aspect.

Our background

Kinetic Engineering Limited is a legacy-rich automotive OEM with over five decades of manufacturing and engineering excellence. Founded by the visionary industrialist the Late Mr. H.K. Firodia and led by Padmashri Dr. Arun Firodia, the Company pioneered India's two-wheeler revolution with the launch of the iconic Kinetic Luna and the Kinetic DX.

It transformed itself into an auto components major with focus on high quality transmissions and driveline products. With fully integrated operations across engines, transmissions and chassis systems,

Kinetic built a reputation for indigenous innovation and product reliability. Strategic collaborations with global leaders like Honda and Hyosung positioned the Company as a first mover in CVT technology and international exports. KEL focuses on precision driveline and transmission components, supplying quality, scalable solutions to top automotive manufacturers across India and the global markets.

Our products

Kinetic Engineering manufactures a range of high-precision automotive components including transmission assemblies, planet gears, sun shafts, shifter sleeves, spline yokes and stub shafts. In the electric vehicle segment, the Company produces rigid axles, trans axles, chassis bodies and two-wheeler transmission assemblies. These products support traditional and EV platforms, serving major OEMs in India and global markets.

Our facilities

Kinetic Engineering operates a vertically integrated manufacturing facility in Ahilyanagar (Ahmednagar), Maharashtra, spread over 50+ acres with more than 32 production sheds and over 460 machines. Backed by a workforce of more than 1,000 skilled professionals, the plant is equipped with in-house capabilities including forgings, gear cutting, heat treatment, precision machining, painting, plating and electric drivetrain assembly. The facility is IATF 16949-certified, a globally recognised quality

management standard for automotive production, ensuring consistent product quality and process control. It supports manufacturing across commercial vehicles, passenger cars, two-wheelers, tractors and electric mobility platforms.

Our certifications

Kinetic Engineering initially received ISO 9001 certification in 1996 for establishing a structured approach to managing quality and operational efficiency. It later achieved TS 16949:2002 and TS 16949:2009 certifications, which integrated ISO principles with specific automotive industry requirements, laying the groundwork for higher consistency, traceability and global compliance. These certifications reflect the Company's longstanding commitment to the highest quality standards across its manufacturing ecosystem.

Our talent

Kinetic Engineering is powered by a skilled and experienced workforce of over 650 professionals. The Company fosters a culture of technical excellence, continuous improvement and cross-functional collaboration, supported by regular training programs, Kaizen initiatives and quality awareness campaigns. With a strong emphasis on shop floor innovation, employee ownership and structured audits, the talent at Kinetic drives operational reliability, product quality and customer confidence across business verticals.



OUR AWARDS AND RECOGNITIONS

Kinetic Engineering and its leadership have been honoured for excellence in innovation, social impact, industrial performance and nation-building



Awarded Ajinkya Firodia for his exceptional contributions and leadership in the automobile industry.



Recognised for empowering individuals with disabilities through inclusive employment practices.



Awarded for advancing equal rights and creating livelihood opportunities for the differently abled.



Presented to Dr. Arun Firodia for his pioneering role in India's automotive evolution.



Honoured for significant contributions to engineering, education and industrial growth.



Recognised for distinguished service to society and lasting impact on India's industrial development.



Conferred in recognition of contributions to industrial development and civic responsibility.



Awarded for proactive leadership and the successful execution of the Auto Cluster Development and Research Institute initiative.



Acknowledged for consistent and outstanding achievements in automotive exports at both national and state levels.



Celebrated as a visionary in the Indian auto industry with lifelong influence and innovation.



Awarded for exceptional community engagement and public service.



Selected as India's iconic brand 2025 by The Brand Story



Kinetic EV received the prestigious Viewer's Choice Award at the Times Drive Auto Summit & Awards 2026.



Best Guerrilla Marketing: BIRTHDAY won the Foxglove Award for its culturally rooted and unconventional The Legend Is Reborn campaign for Kinetic EV.



Best Storytelling: BIRTHDAY won for crafting an authentic brand story that brought together Kinetic's heritage, nostalgia, and contemporary culture.



Kinetic EV was recognised as India's Best In-House Design Studio at the India's Best Design Awards (IBDA).



Kinetic EV's design project was honoured as India's Best Design Project at the India's Best Design Awards (IBDA).

OUR MARQUEE CLIENTS

INTERNATIONAL



American Axle: A global supplier of driveline systems using our precision-engineered axles and shafts.

Renault: Global passenger car brand leveraging our quality components for efficiency and durability in local operations.

Magna Powertrain: International leader in automotive systems, partnering us for powertrain and drivetrain components.

DOMESTIC



Ashok Leyland: Major commercial vehicles player, integrating our transmission assemblies into its buses and heavy-duty trucks.

Mahindra & Mahindra: A leader in utility vehicles, and tractors, sourcing transmission assemblies, axles and precision parts for multiple product lines.

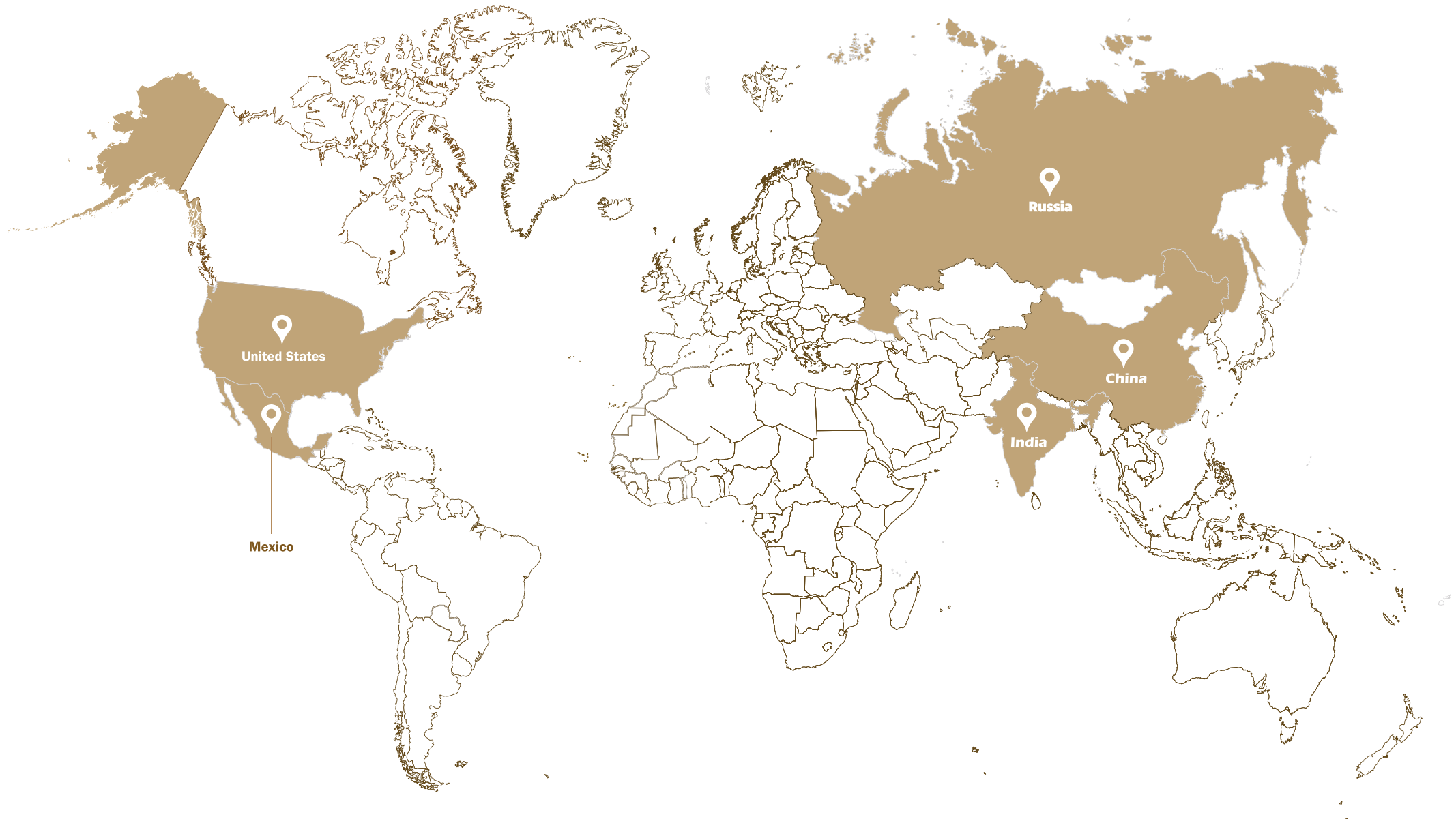
Sonalika Tractors: Key agricultural machinery brand relying on our driveline and structural parts for its robust tractor field performance.

Carraro Products: Global agritech and off-highway equipment maker, sourcing custom

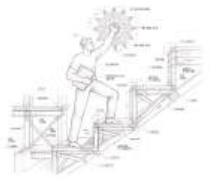
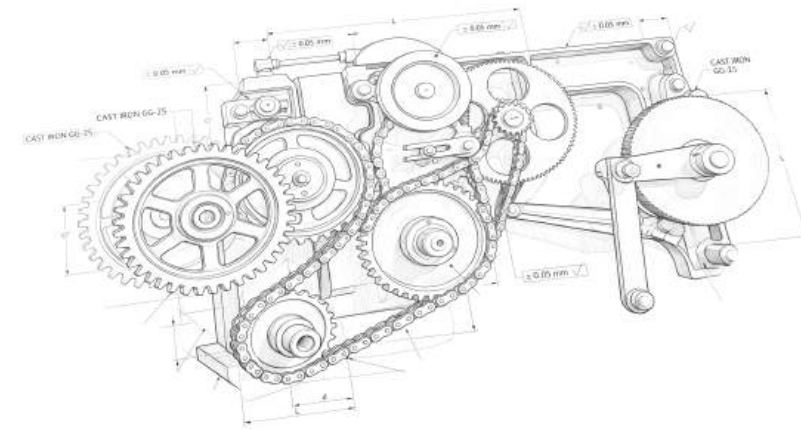
transmission assemblies for rugged applications.

Tata Motors: One of India's largest automotive manufacturers, relying on our driveline and transmission components across its commercial and passenger vehicle platforms.

WHERE WE SELL OUR PRODUCTS



HOW KINETIC ENGINEERING EVOLVED ACROSS THE DECADES



MILESTONES



1970

Kinetic Engineering Limited was founded by H.K. Firodia.



1972

The Company began operations with the launch of the Kinetic Luna moped, which achieved significant domestic sales and exports.



1975

The Company was converted to a public limited company



1984

The Company formed a joint venture with Honda Motor, introducing Kinetic Honda scooters with electric start and gearless transmissions.



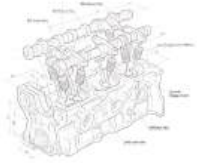
1998

Kinetic acquired Honda's stake in the joint venture, rebranding itself as Kinetic Motors.



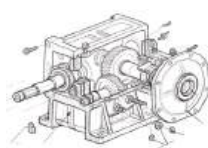
2008

The Company entered into a joint venture with SYM, a Taiwanese motorcycle company, to bring new products to the Indian market.



2009

The Company shifted its focus towards becoming a 100% auto component company



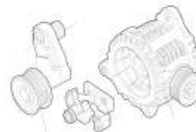
2011

The Company initiated a focused approach towards business development with passenger, commercial and off-highway automotive enterprises. It set up a world class line to make transmissions for Nano.



2013

The Company backward integrated into forgings to have a strong focus on costs. It made a strategic decision to focus on exports.



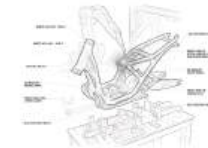
2017

The Company turned around its operations and became a profitable auto component major.



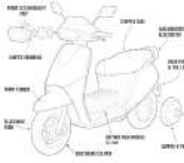
2022

Kinetic Watts & Volts was formed in September as a subsidiary of Kinetic Engineering with a vision to provide integrated solutions for EV customers.



2025

The Company commissioned a robotic chasis welding line and the Company launched EV scooter Kinetic DX through its subsidiary Kinetic Watts & Volts.

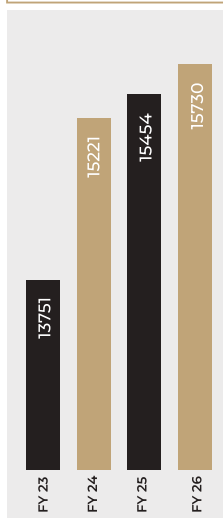


2026

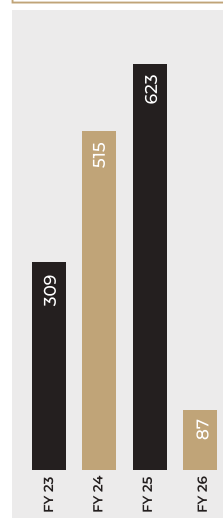
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HOW WE PERFORMED OVER THE YEARS

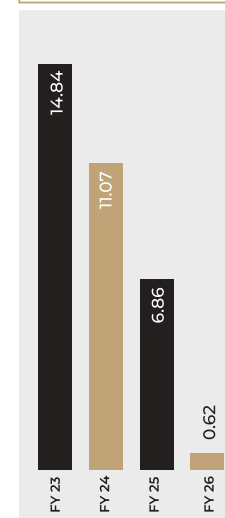
REVENUE (Rs Lakhs)



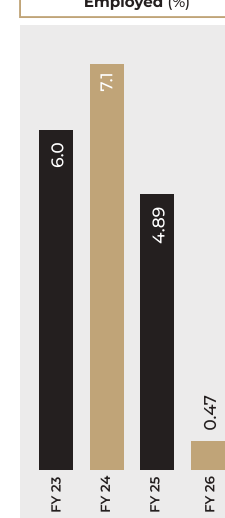
NET PROFIT (Rs Lakhs)



RETURN ON EQUITY (%)



Return on Capital Employed (%)



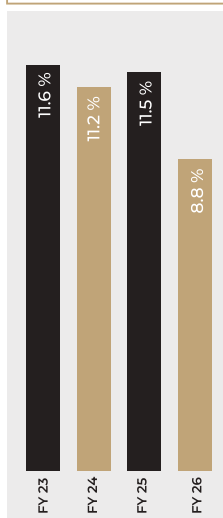
PAT MARGIN (%)



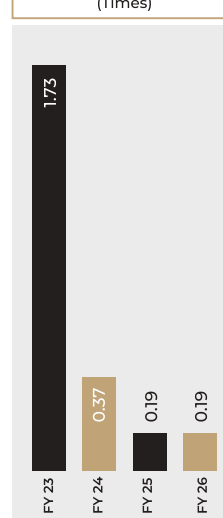
EBITDA (Rs Lakhs)



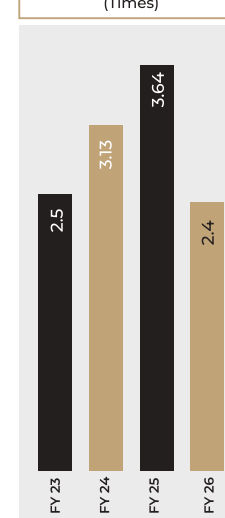
EBITDA MARGIN (%)



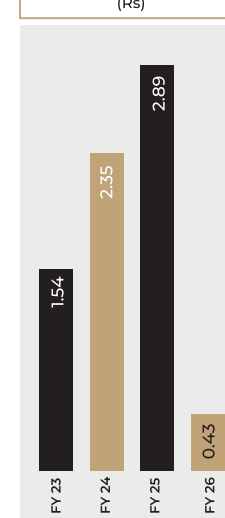
DEBT TO EQUITY RATIO (Times)



INTEREST COVER RATIO (Times)



EARNINGS PER SHARE (Rs)



CHAIRMAN'S MESSAGE

A LEGACY THAT CONTINUES TO EVOLVE

As I look back on the year gone by, I am reminded that the strength of an institution is not measured only by the businesses it operates today, but by its ability to recognise what tomorrow demands and prepare for it with conviction.

For more than five decades, Kinetic has been part of India's industrial and mobility story. We have witnessed the country move from a developing economy to one of the world's fastest-growing major economies. We have seen technologies, consumer aspirations and industries transform, often at a remarkable pace. Through these changes, one principle has remained constant at Kinetic: we must continue to evolve. The year under review has therefore been one of consolidation, transformation and preparation. Across the Group, we have continued to strengthen our existing businesses while laying the groundwork for opportunities that we believe will shape the next phase of Indian industry.

Padmashri Dr. Arun Firodia

Chairman
Kinetic Group

Looking Beyond the Present

India today is at an important inflection point. The country is investing heavily in manufacturing, infrastructure, technology and energy transition. Supply chains are being reconfigured, businesses are seeking greater resilience and localisation is becoming increasingly important. At the same time, the transition towards cleaner forms of mobility is creating an entirely new industrial ecosystem. These changes create a particularly relevant opportunity for a Group such as Kinetic. Our history has given us experience across mobility, engineering and manufacturing. Our present is giving us the opportunity to apply that experience to new technologies and new markets. We therefore see the current transformation not simply as a shift from one technology to another, but as an opportunity to rethink how we build businesses for the next generation.

From Experience to Capability

One of our priorities has been to ensure that Kinetic's long-standing engineering and manufacturing experience remains relevant in a rapidly changing industrial environment. We are increasingly focused on building capabilities rather than relying solely on individual products or programmes. This means investing in technology, improving processes, developing people and creating manufacturing capabilities that can serve multiple opportunities over the long term.

This approach is particularly important at a time when the automotive industry is undergoing significant structural change.

Electrification, electronics, connectivity, automation and advanced manufacturing are changing the nature of vehicles and their underlying supply chains. We believe Kinetic can participate in this transformation by bringing together its engineering heritage with new capabilities.

Creating Businesses for the Long Term

Our approach to growth remains disciplined. We are not pursuing opportunities simply because they are fashionable or because they represent short-term market potential. We are looking for businesses where Kinetic can develop a genuine competitive advantage and create sustainable value over time.

This philosophy has guided our investments across the Group. Whether it is mobility, automotive engineering, components, energy, batteries, technology or other emerging opportunities, our objective is to develop businesses with sound fundamentals and the ability to grow with the Indian economy.

We also recognise that growth must be accompanied by operational discipline. Improving productivity, managing costs, optimising resources and strengthening cash generation will remain important priorities across the Group.

Building Resilience

The past few years have demonstrated how quickly external events can affect businesses. Geopolitical developments, commodity prices, energy costs,

supply-chain disruptions and changing global trade dynamics have reinforced the importance of building resilient operations.

At Kinetic, we are therefore increasingly focused on reducing vulnerabilities within our businesses while improving efficiency and resource utilisation. Our investments in renewable energy, manufacturing technology, localisation and internal capabilities form part of this broader philosophy. For us, resilience is not simply about managing uncertainty. It is about building businesses that can continue to create value despite it.

Innovation with Purpose

Innovation has always been part of Kinetic's DNA. But innovation today means more than developing a new product. It encompasses how we manufacture, how we use energy, how we connect with customers, how we use technology and how we create more efficient business models. Our focus will therefore remain on practical innovation, technology that improves products, processes, efficiency and customer experiences. We believe that the most valuable innovations are those that eventually become part of everyday life. This philosophy will continue to guide our approach as we build capabilities for the future.

The Importance of People

No transformation is possible without the people who drive it. As Kinetic evolves, our people are taking on new technologies, new responsibilities and new ways of working. We must continue to create an environment where talent can grow, ideas can be challenged, and individuals are encouraged to take ownership.

Our employees bring together decades of institutional knowledge and the energy of a new generation. This combination is one of our greatest strengths. I would like to thank every member of the Kinetic family for their commitment and contribution during the year.

I would also like to express my appreciation to our customers, dealers, suppliers, partners, investors and other stakeholders whose continued trust has supported our journey.

Preserving the Spirit of Entrepreneurship

Kinetic was built by taking calculated risks at moments when others were willing to wait. That entrepreneurial spirit remains relevant today. The opportunities before India are large, but they will require businesses that are willing to invest, experiment, and build patiently. We intend to retain that spirit while becoming increasingly disciplined in how we allocate capital and execute our plans.

Our ambition is not to recreate the Kinetic of the past. Our ambition is to build a Kinetic that is relevant to the India of the future.

Looking Ahead

The coming years will bring significant change across the industries in which we operate.

We expect mobility to become increasingly electric and connected. Manufacturing will become more automated and technology-led. Global supply chains will continue to seek reliable and competitive partners.

Energy efficiency and sustainability will become increasingly important considerations for businesses. These trends align closely with the capabilities we are developing across the Group.

We approach the future with optimism, but also with realism. We know that building successful businesses takes time. We know that transformation comes with challenges. And we know that the scale of the opportunity must be matched by the quality of execution. Our focus will therefore remain clear:

Our focus will therefore remain clear:

Build with purpose.

Invest for the long term.

Strengthen what we have.

And create what comes next.

The Kinetic story has always been about movement, not only the movement of people, but the movement of ideas, technology and ambition. As we enter the next chapter, our responsibility is to ensure that this movement continues. I am confident that with the strength of our people, the capabilities we are building and the opportunities emerging around us, Kinetic is well positioned to create a stronger and more sustainable future.

Padmashri Dr. Arun Firodia
Chairman

Kinetic Group

VICE CHAIRMAN & MANAGING DIRECTOR'S MESSAGE

Transforming Ambition into Execution

The year under review has been one of meaningful progress for the Kinetic Group. As we look ahead, I believe we are entering a period that can fundamentally reshape the Group. The opportunity before us is not simply to grow existing businesses, but to build new capabilities, enter emerging areas and create an organisation that is equipped for the next decade of Indian industry.

For me, the central theme of our journey is transformation through execution. We have spent considerable time strengthening the foundations of our businesses, identifying areas where Kinetic can create differentiated value and investing in capabilities that can support sustainable growth. The next phase is about converting these foundations into scale.

India Creates a Unique Opportunity

The India of today is very different from the India in which Kinetic built its early success. The country is now one of the world's largest and fastest-growing major economies. Manufacturing is becoming increasingly strategic, domestic supply chains are gaining importance and Indian companies are increasingly participating in global programmes.

At the same time, mobility is undergoing one of its most significant transformations in decades.

Mr. Ajinkya Firodia

Vice Chairman & Managing Director

Kinetic Engineering Ltd. & Kinetic Watts & Volts Ltd.



Electrification, connected technologies, energy transition, automation and localisation are changing the automotive industry at an unprecedented pace. We believe this environment creates a strong opportunity for Kinetic. Our historical strengths in mobility and engineering give us a foundation. Our investments in new technologies and capabilities give us the opportunity to build on that foundation.

From Legacy to New-Age Mobility

Electric mobility represents one of the most important areas of our future. However, our ambition is broader than simply participating in the electric vehicle market. We want to build capabilities across the electric mobility value chain, from vehicles and components to batteries, technology, manufacturing and supporting ecosystems. This approach allows us to look at electric mobility as an industrial opportunity rather than only as a product category. The return of the Kinetic brand to the electric two-wheeler market is an important part of this strategy. At the same time, our work in battery technology and manufacturing is helping us develop capabilities that can support a broader range of mobility applications. Our objective is to progressively build an ecosystem that gives Kinetic greater control over critical technologies and creates opportunities to serve both our own businesses and external customers.

Engineering Remains at the Core

While electric mobility represents a significant growth opportunity, engineering will continue to be at the heart of Kinetic. Our automotive component and engineering businesses provide us with an important platform from which to participate in the transformation taking place across the global automotive industry. We are focused on moving towards higher-value manufacturing, greater automation, stronger process capabilities and deeper participation in global supply chains. The objective is not simply to increase manufacturing capacity. It is to develop capabilities that make Kinetic a more competitive, reliable and technology-oriented partner for automotive customers. We see significant opportunities in areas where our engineering capabilities can intersect with the evolving requirements of global vehicle manufacturers and component suppliers.

Building for Efficiency

Growth without operational discipline is not sustainable. As we expand, we remain focused on improving productivity, reducing avoidable costs, optimising working capital and making better use of our assets and resources. Energy efficiency is an important part of this approach. Our investments in renewable energy and the progressive electrification of manufacturing processes are intended not only to support our sustainability objectives, but also to improve the economics and resilience of our operations. We will continue to evaluate every part of our manufacturing footprint with the objective of making our businesses more efficient and competitive.

Technology as an Enabler

Technology will increasingly determine which businesses succeed in the next phase of industrial growth. At Kinetic, we are therefore investing in technology not as an end in itself, but as an enabler of better products, better processes and better customer experiences. Automation, connected mobility, digital systems, advanced manufacturing and data-driven decision-making will increasingly become part of the way we operate. Our focus will be on identifying technologies that can deliver measurable improvements and integrating them into our businesses in a practical and scalable manner.

Building Businesses, Not Just Products

One of the most important lessons from our journey is that a successful product is only one part of a successful business. A sustainable business requires the right technology, manufacturing capabilities, distribution network, service infrastructure, talent, financial discipline and customer relationships. This is particularly relevant in new businesses. As we build our electric mobility operations, our objective is therefore to develop the entire ecosystem around the product. Similarly, as we expand our engineering and manufacturing businesses, we are focused on building long-term customer relationships rather than pursuing transactional opportunities. This approach requires patience, but we believe it creates stronger businesses over time.



The Next Phase of Growth Our People and Culture

The next phase of Kinetic will be defined by scale and execution. We have identified several areas where we believe the Group can create meaningful value. The task now is to execute these opportunities with speed, discipline and financial prudence. Our priorities will remain centred around:

- Building scale in electric mobility
- Strengthening automotive engineering and component manufacturing
- Developing battery and energy capabilities
- Increasing manufacturing efficiency and automation
- Expanding participation in global automotive supply chains
- Building stronger technology and innovation capabilities
- Improving operational and financial discipline
- Developing the talent required for our next phase of growth

We will continue to be selective in how we deploy capital, focusing on businesses where we have a clear right to win and where investments can generate sustainable returns.

Transformation also requires a transformation in mindset. We need an organisation that is entrepreneurial enough to pursue opportunities, disciplined enough to execute them and agile enough to respond when circumstances change. Our people are central to this. We are building teams that combine Kinetic's institutional knowledge with new capabilities in technology, engineering, digitalisation and modern management practices. I would like to thank every member of the Kinetic team for their commitment and contribution during the year. I also thank our customers, dealers, suppliers, partners, investors and other stakeholders for their continued trust and support.

Looking Ahead with Confidence

The opportunity before Kinetic today is significantly larger than the opportunity we had a decade ago. India's growth, the transformation of mobility, the evolution of manufacturing and the increasing integration of technology are creating new spaces for businesses with engineering capabilities and entrepreneurial ambition. We intend to participate in this transformation with a clear sense of purpose. We will respect the legacy that brought us here, but we will not allow that legacy to limit what we can become. Our focus is on building a Kinetic that is more technology-driven, more efficient, more globally connected and more capable of creating sustainable value. The journey will not always be linear. There will be challenges, investments that take time to mature and markets that will test our ability to adapt. But I believe that the foundations we are building today give us the confidence to take on those challenges. The next chapter of Kinetic will not be defined by what we have inherited.

It will be defined by what we choose to build.

Mr. Ajinkya Firodia
Vice Chairman & Managing Director

Kinetic Engineering Ltd. & Kinetic Watts & Volts Ltd.



KINETIC ENGINEERING LIMITED

KEY BUSINESS DEVELOPMENTS ROBOTIC CHASSIS MANUFACTURING

Kinetic Engineering Limited continued to strengthen its manufacturing capabilities through the adoption of advanced automation and precision manufacturing processes.

The Company developed a scooter chassis manufacturing process using robotic welding, rotary welding fixtures and CNC tube-bending technology. The integration of these technologies has enhanced dimensional accuracy, consistency and process quality across chassis production. The use of robotic welding has also helped address process variations and eliminate issues associated with missed or inconsistent welds. The robotic welding systems deployed by KEL are supplied by Panasonic, a global leader in industrial robotic welding solutions. The adoption of automated welding and CNC bending represents an important step in KEL's ongoing efforts to improve manufacturing precision, process reliability and production consistency.

New Business Growth

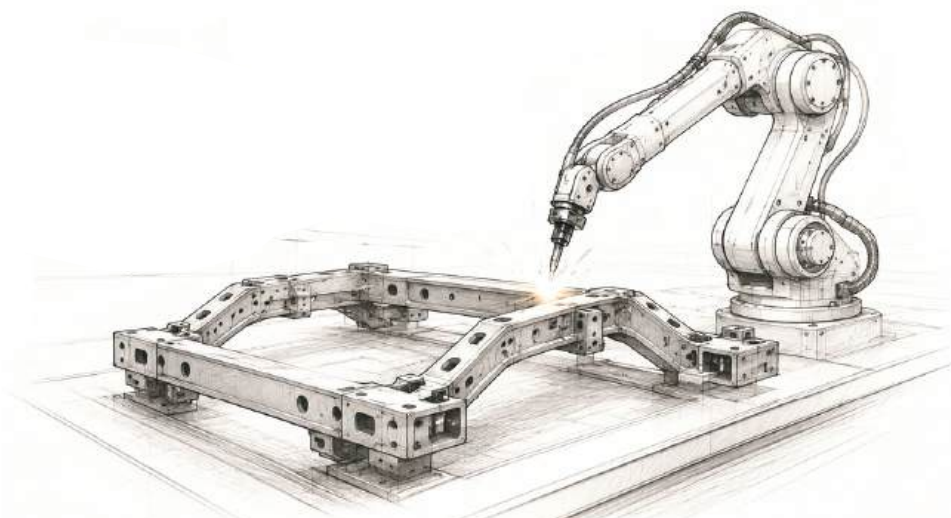
KEL continued to expand its customer portfolio and pursue new business opportunities across domestic and international markets.

During the year, the Company secured a shaft input C2 order from a prestigious European customer. The same programme is expected to provide opportunities for business from Mexico and the USA, with the overall opportunity estimated to contribute approximately ₹50–60 crore in revenue.

KEL is also in advanced discussions with American Axle & Manufacturing (AAM) for multiple RFQs, with technical discussions substantially progressed. These engagements represent an opportunity to further expand KEL's presence in the global automotive component supply chain.

In addition, Renault has issued RFQs for its current global requirements, providing KEL with further opportunities to participate in international vehicle programmes and expand its customer base.

The Company's focus on global customers, new platforms and higher-value component programmes forms an important part of its strategy to build sustainable business growth and diversify its revenue base.



Body Panel Manufacturing

KEL further strengthened its capabilities in automotive body panel manufacturing, including the in-house development of a complex body panel for the KW scooter.

To support this capability, the Company added 300-ton hydraulic and 250-ton mechanical presses, along with additional locally sourced presses. These investments have expanded KEL's capacity to undertake complex sheet-metal operations involving blanking, forming and deep drawing.

The Company also invested in spot-welding machines and dedicated fixtures to support the assembly and manufacturing of these components.

As part of its efforts to increase manufacturing integration, KEL also upgraded its paint shop, enabling the newly developed body panels and associated components to undergo in-house painting operations.

These investments strengthen KEL's ability to undertake a greater portion of the manufacturing value chain internally, while improving control over quality, process consistency and production timelines.

Solar Power Initiative — Yavatmal

As part of its focus on improving energy efficiency and strengthening the sustainability of its operations, KEL has invested in solar power generation at Yavatmal.

The solar installation has an installed capacity of 4.5 MWDC and is expected to generate an average of approximately 5.86 million kWh of electricity annually.

The initiative is estimated to deliver an average annual cost saving of approximately ₹4.12 crore, while increasing the contribution of renewable energy towards the Company's power requirements.

The Yavatmal solar plant represents an important step towards improving the energy efficiency of KEL's manufacturing operations and reducing dependence on conventional sources of electricity.

Operational Efficiency & Energy Transition

Going forward, KEL plans to further improve the energy efficiency of its manufacturing operations through the electrification of its furnaces. The initiative is expected to improve furnace efficiency and enable the Company to make more effective use of the renewable power generated through its solar installation. Greater electrification of the manufacturing process can also help reduce the Company's dependence on LPG and provide a degree of resilience against potential supply and cost pressures arising from geopolitical developments.

The combination of renewable power generation and progressive electrification of manufacturing processes is expected to support KEL's objectives of improving operating efficiency, optimising energy costs and building a more resilient manufacturing operation.

Expanding Forging Capacity

KEL also plans to increase its forging capacity in response to growing demand.

At present, a portion of the Company's forging requirements is being outsourced due to capacity constraints. Increasing in-house forging capacity will enable KEL to bring a greater share of this manufacturing activity within its own operations.

The proposed capacity enhancement is expected to provide opportunities for better cost optimisation, improved production control and stronger cash-flow efficiency, while reducing dependence on external sourcing.

Increasing in-house capacity will also strengthen KEL's ability to respond to higher customer demand and support the Company's growth across existing and new automotive programmes.

Strengthening Manufacturing Capabilities

The developments during the year reflect KEL's broader focus on combining engineering expertise, automation, capacity enhancement, energy efficiency and manufacturing integration.

From robotic chassis welding and CNC tube bending to advanced sheet-metal forming, spot welding and in-house painting, the Company is progressively strengthening its capabilities to address increasingly complex automotive component requirements.

At the same time, investments in renewable energy, furnace electrification and additional forging capacity are expected to improve operational efficiency, optimise costs and strengthen manufacturing resilience.

New business wins and discussions with global automotive customers provide a platform for KEL to expand its participation in international automotive programmes and create new avenues for revenue growth.

Together, these initiatives demonstrate KEL's continued focus on strengthening its manufacturing capabilities, improving operational efficiency, increasing in-house value addition and building a more competitive and resilient automotive component business.

KINETIC EV

Building the Foundations for a New Era of Electric Mobility

The financial year marked an important phase in Kinetic's renewed journey in electric mobility. With the national launch of the Kinetic DX, the Company moved from product development and preparation to building a wider business ecosystem around electric two-wheelers.

The year was characterised by a series of initiatives across product, retail, technology, customer engagement and brand building. Kinetic expanded its presence across India, strengthened its dealer and service capabilities, operationalised Kinetic LAB, developed connected mobility capabilities in association with Reliance JioThings, built the I AM KINETIC community and took the Kinetic DX to customers, media and challenging real-world environments.

The Company also continued to build visibility and credibility for its electric mobility proposition through regional media rides, major brand engagements and product testing in Manali. The year culminated in significant recognition for both the Kinetic brand and the Kinetic DX.

Together, these initiatives represent an important transition — from launching an electric vehicle to building the capabilities, network and ecosystem required to support a growing electric mobility business.

01 | THE NATIONAL LAUNCH

A New Chapter Begins

The year began with the national launch of the Kinetic DX, marking the return of one of India's most recognised two-wheeler names in an electric avatar.

The Kinetic DX brought together Kinetic's established understanding of the Indian two-wheeler market with contemporary electric mobility technology. The product was developed to address the requirements of everyday urban mobility while carrying forward the distinctive identity associated with the Kinetic name. The national launch represented more than the introduction of a new electric scooter. It marked the beginning of Kinetic's renewed presence in the two-wheeler market and established the Kinetic DX as the foundation of the Company's electric mobility strategy. From the launch, the focus shifted towards building the wider ecosystem required to take the product to customers across India — encompassing retail, sales, service, technology, community engagement and product validation.

02 | BUILDING A PAN-INDIA PRESENCE

Expanding Access to Kinetic EV

Following the national launch, establishing a strong retail and distribution network became one of Kinetic EV's key priorities. During the year, the Company signed 111 Letters of Intent (LOIs) with prospective dealers across India, creating a strong

pipeline for the expansion of its retail presence.

By the end of the period, 30 Kinetic EV showrooms were operational, extending the brand's presence across multiple regions and markets.

The network expanded into cities including Pune, Hyderabad, Bengaluru, Ahmedabad, Jaipur, Nagpur and Nashik, among others.

The expansion marked an important transition from product introduction to market establishment. The growing network is designed to provide customers with access to product information, test rides, sales support and after-sales service, while also creating stronger market visibility for the Kinetic EV brand.

For Kinetic, the development of the retail network is an ongoing process. The Company continues to work with its channel partners to expand its geographical reach and create a stronger customer touchpoint across India.

111 LOIs | 30 Operational Showrooms

These milestones represent the scale of Kinetic EV's network-building efforts during the financial year and provide the foundation for further expansion.

03 | BUILDING DEALER CAPABILITY

Sales and Service Readiness Kinetic's approach to network expansion extended beyond establishing physical outlets. With electric mobility bringing new technologies, systems and ownership

considerations to the two-wheeler market, ensuring that dealer teams are adequately prepared is an important part of creating customer confidence. Ahead of showroom inaugurations, Kinetic conducted structured sales and service training programmes for dealer teams.

Sales personnel were familiarised with the Kinetic DX, its product proposition, features and customer benefits, while service personnel received product and technical orientation relevant to electric vehicle ownership.

These programmes were designed to ensure that every new outlet was prepared not only for its inauguration but also for the customer journey that followed.

The focus on dealer readiness also supports consistency across the expanding Kinetic EV network — from product demonstration and customer interaction to service support and ownership assistance.

As the Company continues to expand, dealer capability will remain an important pillar of its customer experience strategy.

04 | STRENGTHENING INNOVATION

Kinetic LAB Becomes Operational Innovation and engineering capability remain central to Kinetic's electric mobility strategy.

During the year, Kinetic LAB became operational, providing a dedicated platform for innovation, development and technology-led initiatives. The operationalisation of Kinetic LAB represents an important step in strengthening the Company's internal capabilities as the electric vehicle industry continues to evolve.

The transition to electric mobility involves developments across battery systems, vehicle electronics, connectivity, software, charging and vehicle architecture. Building the capability to work across these areas is critical to developing products that can

respond to changing customer expectations and market requirements. Kinetic LAB provides a platform to support this continuing development and contributes to the Company's broader objective of strengthening its engineering and innovation ecosystem. The facility is expected to play an important role as Kinetic expands its electric mobility portfolio and explores technologies and solutions for future products.

05 | CONNECTED MOBILITY

Technology Partnership with Reliance JioThings

As electric vehicles become increasingly connected, digital technology is becoming an integral part of the modern ownership experience. During the year, Kinetic strengthened its connected mobility capabilities through its association with Reliance JioThings.

The collaboration brings connected vehicle technology into the Kinetic EV ecosystem, supporting a more digitally enabled interaction between the customer and the vehicle.

Connected mobility can provide customers with greater visibility into aspects of their vehicle and ride, while also creating opportunities for Kinetic to develop a deeper understanding of vehicle usage and evolving customer requirements.

The association with Reliance JioThings forms part of Kinetic's broader technology roadmap and complements the Company's efforts to build an electric vehicle ecosystem that extends beyond the physical vehicle. The integration of connected technologies also reflects the changing nature of mobility, where the vehicle increasingly operates as part of a larger digital ecosystem.

For Kinetic, combining electric mobility with connected technology represents an important step towards developing products and experiences aligned with the expectations of a new generation of customers.

06 | I AM KINETIC

Building a Community Around the Brand Kinetic's electric mobility journey extends beyond products and technology. It is also about building a relationship with the people who form the Kinetic ecosystem. During the year, the Company continued to build I AM KINETIC, its community platform for owners, enthusiasts and supporters of the brand.

The initiative creates opportunities for people to connect with Kinetic beyond the conventional customer-product relationship and participate in experiences associated with the brand. I AM KINETIC also creates a bridge between Kinetic's heritage and its electric future. The community brings together people who have a long-standing association with the Kinetic name and a new generation of customers discovering the brand through its electric mobility products. Through community engagement, experiences and interactions, the platform is helping Kinetic create stronger and more direct relationships with its growing customer and enthusiast base.

As the electric vehicle business expands, I AM KINETIC is expected to become an increasingly important part of the Company's customer engagement ecosystem. part of creating customer confidence.





07 | EXPERIENCING THE PRODUCT

Media Rides Across India

As the Kinetik DX expanded into new markets, Kinetik also created opportunities for automotive media to experience the product first-hand. Media rides were conducted across the West, North and South of India, allowing automotive journalists and media representatives to experience the Kinetik DX in different markets and riding environments. The regional rides provided an opportunity to experience the vehicle beyond the static environment of a showroom or launch event. Journalists were able to assess the product in real-world conditions and engage directly with the Kinetik team. The programme also enabled Kinetik to engage with the automotive media community across different regions and build greater awareness around its

electric mobility proposition.

Taking the Kinetik DX across the country reinforced the Company's commitment to presenting the product to audiences beyond its initial launch markets and creating opportunities for independent evaluation and discussion.

08 | ENGAGING THE KINETIC ECOSYSTEM

Major Events and Brand Experiences

The year also saw Kinetik participate in and conduct a range of major events and brand engagements.

These initiatives provided opportunities to bring together customers, dealers, media, enthusiasts and other stakeholders associated with the Kinetik ecosystem.

The events served as platforms for product showcases, customer interactions, dealer engagement and brand experiences, while also helping Kinetik strengthen its visibility within

the automotive and electric mobility landscape.

For a brand with a long-standing presence in Indian mobility, these engagements provide an important opportunity to translate heritage into contemporary experiences and create stronger connections with existing and prospective customers.

The events also complemented the Company's retail and community initiatives, creating multiple points of interaction between Kinetik and its wider ecosystem.

09 | TESTING BEYOND THE EVERYDAY

Kinetik DX in Manali

Product validation remained an important component of Kinetik's approach during the year. The Kinetik DX was taken to Manali for product testing, providing an opportunity to evaluate the vehicle

under challenging terrain and environmental conditions.

The exercise allowed the product to be experienced beyond conventional urban riding conditions and provided valuable insights into its performance across a demanding operating environment.

Testing in varied conditions forms an important part of Kinetik's approach to product development and validation. It enables the engineering team to understand vehicle behaviour across different terrains and conditions while identifying opportunities for continuous improvement.

The Manali testing programme demonstrated Kinetik's focus on taking the product beyond controlled environments and building confidence through real-world evaluation. As the Company develops its electric mobility capabilities, such testing and validation will remain an important part of its product development process.

10 | RECOGNITION

Recognition from Customers and the Industry

The year also brought important recognition for Kinetik and the Kinetik DX. At the Times Drive Auto Summit & Awards 2026, the Kinetik DX received the Viewer's Choice Award.

The recognition represents an important acknowledgement from the audience and automotive enthusiasts and adds to the growing visibility of the Kinetik DX in the electric two-wheeler segment. The award also reflects the response generated by the product as Kinetik continues to establish its electric mobility presence across India.

Iconic Brand Recognition

Kinetik also received the Iconic Brand Award in Goa, recognising the enduring strength and relevance of the Kinetik brand.

The recognition acknowledges the legacy that Kinetik has built in the Indian two-wheeler market and the continued relevance of the brand as it enters a new era of mobility. Together,

these recognitions represent two important dimensions of Kinetik's journey during the year — the strength of a brand with a long-standing place in Indian mobility and the growing acceptance of its renewed electric offering.

11 | A YEAR OF BUILDING THE ECOSYSTEM

The financial year was defined by the establishment of several important foundations for Kinetik EV. The national launch introduced the Kinetik DX to the market and marked the beginning of the Company's renewed electric mobility journey.

The expansion of the retail network, supported by 111 LOIs and 30 operational showrooms, created a growing physical presence across India. The sales and service training programmes strengthened the readiness of the dealer network and helped establish a more consistent customer experience. The operationalisation of Kinetik LAB strengthened the Company's

THE LEGEND IS REBORN





KINETIC EV

Key Innovations for Smarter Rides

innovation and development capabilities. The association with Reliance JioThings added a connected mobility dimension to the Kinetic EV ecosystem and supported the Company's broader technology roadmap. I AM KINETIC began building a community around the brand, bringing together owners, enthusiasts and supporters. The West, North and South media rides created opportunities for automotive media to experience the Kinetic DX in different markets. Major events and brand engagements strengthened interaction with customers, dealers, media and enthusiasts. The Manali testing programme provided real-world product validation under challenging conditions. And the Viewer's Choice Award at the Times Drive Auto Summit & Awards 2026, along with the Iconic Brand Award in Goa, provided external recognition for the brand and its electric mobility journey. Taken together, these initiatives represent a transition from product launch to ecosystem building.

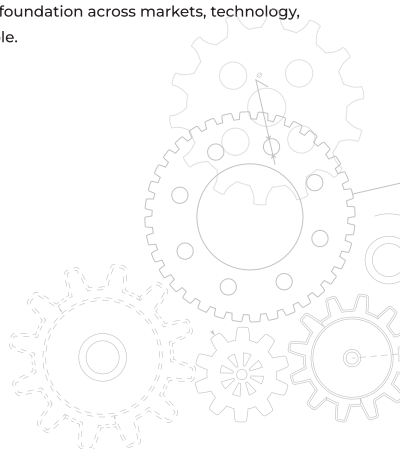
LOOKING AHEAD

Building Scale on a Stronger Foundation

Kinetic EV enters the next phase with a growing retail presence, an expanding dealer pipeline, strengthened technology and innovation capabilities and a growing community around the brand. The Company's priorities will include expanding its market presence, strengthening its dealer and service network, improving customer access and continuing to build capabilities across product development and connected mobility.

The Company will also continue to develop its relationship with customers and enthusiasts through I AM KINETIC, creating a stronger community around the brand and its products. The association with Reliance JioThings and the operationalisation of Kinetic LAB provide additional foundations for the Company's technology and innovation roadmap as it looks towards future electric mobility solutions.

The Indian electric two-wheeler market continues to evolve rapidly. Kinetic's approach is to combine its deep understanding of the Indian two-wheeler market and its established brand equity with new capabilities in electric mobility, technology and customer engagement. The financial year established the foundation. The next phase is about scaling that foundation across markets, technology, products and people.



Kinetic Engineering Limited's Board Of Directors



Mr. Arun Hastimal Firodia
(Chairman Non-Executive Director)

Padmashri Dr. Arun Firodia, Chairman, Kinetic Group Pioneer behind the iconic two-wheelers – Luna and DX. Built a legacy rooted in innovation and trust. A visionary, shaping the future while honouring the past.



Mr. Ajinkya Arun Firodia
(Vice Chairman – Managing Director)

Mr. Ajinkya Firodia, Vice Chairman, Kinetic Group. A dynamic leader carrying forward a storied legacy. Blending tradition with a bold, modern vision. Driving Kinetic into a new era of innovation.



Mrs. Jayashree Arun Firodia
(Non-Executive Director)

Mrs. Jayashree Arun Firodia, a qualified medical professional and AMIE (India), has served as a Non-Executive Director since 2017, offering valuable strategic guidance to Kinetic Engineering Ltd.



Mr. Dattatray Parvati Navale
(Non-Executive Independent Director)

Mr. Dattatray Parvati Navale, a mechanical engineering diploma holder, brings strong technical expertise and serves as Director at Kinetic Engineering Ltd.



Mr. Achal Shirish Kotecha
(Non-Executive Independent Director)

Mr. Achal Shirish Kotecha, an MBA in Marketing, brings strategic expertise and holds directorships at Kinetic Engineering Ltd and Champ Engineering Pvt. Ltd.



Mr. Rohit Prakash Bafana
(Non-Executive Independent Director)

Mr. Rohit Prakash Bafana, served as Director, brings global perspective and technical expertise to the Board of Kinetic Engineering Ltd.



Mr. Jinendra Hirachand Munot

(Non-Executive Independent Director)

Mr. Jinendra Hirachand Munot, with 41+ years of experience in mechanical engineering, offers strategic insight as Director at Kinetic Engineering Ltd. shaping the future while honouring the past.



Mr. Venkataiah Madipalli

(Non-Executive Independent Director)

Mr. Venkataiah Madipalli, M.I.E. in Mechanical Engineering, brings 46+ years of automotive expertise to his role as Director at Kinetic Engineering Ltd.



Mr. Shashikant Shivanand Gulve

(Non-Executive Non-Independent Director)

Mr. Shashikant Shivanand Gulve is a long-serving employee of the Company with over 30 years of experience, primarily in the Human Resources department. He has extensive knowledge of factory labour laws and has been actively involved in managing the Company's plant operations and workforce compliance matters.

Key Management Personnel



Mr. Chaitanya Mundra

Mr. Chaitanya Mundra, Company Secretary & Compliance Officer at KEL, brings over 13 years of expertise in corporate law and governance.



Mr. Vinayak Shevde

Mr. Vinayak Shevde is the CFO of Kinetic Engineering Ltd., with over 31 years of expertise in finance, accounts, and taxation within the Kinetic Group.

Kinetic Watts And Volts Limited's Board Of Directors



Mr. Ajinkya Arun Firodia

(Managing Director)

Mr. Ajinkya Firodia, Vice Chairman, Kinetic Group. A dynamic leader carrying forward a storied legacy. Blending tradition with a bold, modern vision. Driving Kinetic into a new era of innovation.



Ms. Arzoo Alamin Lokhandwala

(Director)

Ms. Arzoo Alamin is driving Kinetic into the electric age with clarity, creativity, and purpose. She has been instrumental in shaping the distinct identity of Kinetic EV through design thinking, brand strategy, and storytelling that resonates with modern India. Guided by Kinetic's legacy and a strong commitment to sustainability, her vision is to make electric mobility efficient, aspirational, and an integral part of everyday life.



Mrs. Jayashree Arun Firodia

(Director)

Mrs. Jayashree Arun Firodia, a qualified medical professional and AMIE (India), has served as Director, offering valuable strategic guidance to Kinetic Watts & Volts Ltd.



Mr. Rohit Prakash Bafana

(Non-Executive Independent Director)

Mr. Rohit Prakash Bafana, served as Director, brings global perspective and technical expertise to the Board of Kinetic Watts & Volts Ltd.



Mr. Piyush Jinendrakumar Munot

(Non-Executive Independent Director)

Mr. Piyush Jinendrakumar Munot, a German-educated Mechanical Engineer, is a leading voice in India's auto component sector, recognised for his technical expertise and leadership roles with ACMA.



Mr. Arun Murlidhar Joshi

(Director)

Mr. Arun Murlidhar Joshi is a Mechanical Engineer with 41 years of experience in production engineering. He has extensive expertise in developing and ramping up production for a wide range of components, including EV two wheelers, transmissions, and drive line parts.

KINETIC ENGINEERING LIMITED

CIN: L35912MH1970PLC014819

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Website: www.kineticindia.com

Notice of Annual General Meeting

NOTICE is hereby given that the 55th (Fifty-fifth) Annual General Meeting of the members of **Kinetic Engineering Limited** will be held on **Tuesday, September 29, 2026 at 11:15 Hrs. IST**, through Video Conferencing ('VC')/Other Audio Visual Means ('OAVM') facility to transact the following businesses:

ORDINARY BUSINESS:

1. **Consideration and Adoption of Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2026 and the Reports of the Board of Directors and Auditors thereon.**

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

"RESOLVED THAT the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2026 and the Reports of the Board of Directors and Auditors thereon, as circulated to the Members, be and are hereby considered and adopted."

2. **Consideration and Adoption of Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2026 and the Reports of the Auditors thereon.**

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

"RESOLVED THAT the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2026 and the Reports of the Auditors thereon, as circulated to the Members, be and are hereby considered and adopted."

3. **To re-appoint a director in place of Dr. Arun Hastimal Firodia (DIN: 00057324) who has attained 83 years' of age and retires by rotation, being eligible, offers himself for re-appointment.**

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

"RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with the Rules made thereunder and Regulation 17(1A) and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), including any statutory modification(s) or re-enactment(s) thereof for the time being in force, Dr. Arun Hastimal Firodia (DIN: 00057324), who retires by rotation at this Annual General Meeting and being eligible, has offered himself for re-appointment, and who has attained the age of 83 years, be and is hereby re-appointed as a Chairman and Non-Executive Director of the Company, liable to retire by rotation.

RESOLVED FURTHER THAT any one of the directors and / or the Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds or things and to file such requisite forms, papers and other documents with Registrar of Companies, as may be deemed expedient to give effect of the foregoing resolution."

SPECIAL BUSINESS:

4. **Approval for continuation of Directorship of Mr. Jinendra Hirachand Munot (DIN: 00049838) as a Non-Executive Independent Director of the Company post attaining the age of 75 Years.**

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

"RESOLVED THAT pursuant to Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any amendment(s) or re-enactment thereof for the time being in force) and all other applicable provisions, if any of the Companies Act, 2013 read with the relevant rules and regulations thereunder (including any amendment(s) or re-enactment thereof for the time being in force) and in accordance with the provisions of the Memorandum and the Articles of Association of the Company, consent of the members be and is hereby accorded to Mr. Jinendra Hirachand Munot (DIN: 00049838), Non-executive Independent Director of the Company, to continue to hold office of the Non-executive Independent Director of the Company till his current tenure of appointment which ends on October 19, 2030 notwithstanding that Mr. Jinendra Hirachand Munot will attain the age of 75 (seventy-five) years on August 2027.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

5. **Reclassification of Authorised Share Capital and consequent Alteration of Memorandum of Association.**

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

"RESOLVED THAT pursuant to the provisions of Sections 13, 61, 64 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Share Capital and Debentures) Rules, 2014 and other applicable rules framed thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and subject to such approvals, permissions and sanctions as may be necessary, the consent of the Members of the Company be and is hereby accorded to reclassify the existing Authorised Share Capital of the Company of Rs. 1,95,90,82,530/- (Rupees One Hundred Ninety-Five Crore Ninety Lakh Eighty-Two Thousand Five Hundred Thirty Only) divided into:

- a) 5,30,13,932 (Five Crore Thirty Lakh Thirteen Thousand Nine Hundred Thirty-Two) Equity Shares of face value of Rs. 10 (Rupees Ten Only) each;
- b) 80,000 (Eighty Thousand) 8.00% Optionally Convertible Cumulative Preference Shares of face value of Rs. 120 (Rupees One Hundred and Twenty Only) each;

c) 8,30,154 (Eight Lakh Thirty Thousand One Hundred Fifty-Four) Optionally Convertible Cumulative Preference Shares of face value of Rs. 65 (Rupees Sixty-Five Only) each;

d) 11,76,650 (Eleven Lakh Seventy-Six Thousand Six Hundred Fifty) 8.5% New Optionally Convertible Cumulative Preference Shares of face value of Rs. 65 (Rupees Sixty-Five Only) each;

e) 3,20,500 (Three Lakh Twenty Thousand Five Hundred) Redeemable Cumulative Preference Shares of face value of Rs. 156 (Rupees One Hundred Fifty-Six Only) each;

f) 1,02,000 (One Lakh Two Thousand) Optionally Convertible Cumulative Preference Shares of face value of Rs. 156 (Rupees One Hundred Fifty-Six Only) each; and

g) 12,22,99,095 (Twelve Crore Twenty-Two Lakh Ninety-Nine Thousand Ninety-Five) Preference Shares of face value of Rs. 10 (Rupees Ten Only) each,

into the following Authorised Share Capital, without altering the total Authorised Share Capital of the Company:

a) 5,30,13,932 (Five Crore Thirty Lakh Thirteen Thousand Nine Hundred Thirty-Two) Equity Shares of face value of Rs. 10 (Rupees Ten Only) each; and

b) 14,28,94,321 (Fourteen Crore Twenty-Eight Lakh Ninety-Four Thousand Three Hundred Twenty-One) Preference Shares of face value of Rs. 10 (Rupees Ten Only) each,

aggregating to Rs. 1,95,90,82,530/- (Rupees One Hundred Ninety-Five Crore Ninety Lakh Eighty-Two Thousand Five Hundred Thirty Only), by cancelling the unissued portion of the existing classes of Preference Shares and reclassifying the equivalent amount into a single class of Preference Shares of face value of Rs. 10 each.

RESOLVED FURTHER THAT pursuant to Section 13 and all other applicable provisions of the Companies Act, 2013, Clause V of the Memorandum of Association of the Company be and is hereby substituted with the following:

V. The Authorised Share Capital of the Company is Rs. 1,95,90,82,530/- (Rupees One Hundred Ninety-Five Crore Ninety Lakh Eighty-Two Thousand Five Hundred Thirty Only) divided into:

a) 5,30,13,932 (Five Crore Thirty Lakh Thirteen Thousand Nine Hundred Thirty-Two) Equity Shares of face value of Rs. 10 (Rupees Ten Only) each; and

b) 14,28,94,321 (Fourteen Crore Twenty-Eight Lakh Ninety-Four Thousand Three Hundred Twenty-One) Preference Shares of face value of Rs. 10 (Rupees Ten Only) each.

The Company shall have the power from time to time to increase or reduce its share capital and to divide the shares in the capital for the time being into different classes and to attach thereto respectively such preferential, deferred, qualified or other special rights, privileges, conditions or restrictions in accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company.

RESOLVED FURTHER THAT any one of the Directors and/or the Chief Financial Officer and/or the Company Secretary of the Company be and are hereby severally authorised to do all such acts, deeds, matters and things as may be necessary, expedient or desirable for giving effect to this resolution, including filing necessary forms with the Registrar of Companies and making such modifications or alterations as may be required by any statutory or regulatory authority."

6. To approve material related party transaction(s) between the Company and Kinetic Watts and Volts Limited.

To consider and if thought fit, to pass, with or without modification(s), if any, the following resolution as **Ordinary Resolution**.

"RESOLVED THAT pursuant to the provisions of Regulation 23 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, Section 188 and other applicable provisions, if any, of the Companies Act, 2013, read with the Rules framed thereunder, to the extent applicable, the Memorandum and Articles of Association of the Company and the Policy on Related Party Transactions of the Company, and pursuant to the approval of the Audit Committee and the Board of Directors, consent of the Members be and is hereby accorded to the Company to enter into and/or continue to enter into contract(s), arrangement(s), transaction(s) or agreement(s), whether by way of one or more individual transactions or a series of transactions, with Kinetic Watts and Volts Limited, a related party within the meaning of Section 2(76) of the Companies Act, 2013, for an aggregate value not exceeding ₹50 Crore (Rupees Fifty Crore Only) during the period specified in the Explanatory Statement annexed to this Notice, provided that such transactions shall be in the ordinary course of business and on an arm's length basis.

RESOLVED FURTHER THAT the Board of Directors and / or Key Managerial Personnel (KMP) of the Company be and are hereby authorised to do all such acts, deeds, matters and things including but not limited to authorising signatories, deciding on the timing, manner and extent of carrying out the aforesaid activities and to negotiate, finalise and execute agreement(s), arrangement(s), contract(s) and such other document(s), by whatever name called, to make such modifications to the terms of the aforesaid transactions as may be permissible under applicable laws and regulations, subject to obtaining such approvals as may be required under the SEBI Listing Regulations and other applicable laws. and to do all such acts, matters and things as may be necessary and to settle any questions or difficulties that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the members and to delegate all or any of the powers or authorities herein conferred to any director(s) or other officer(s) of the Company, or to engage any advisor, consultant, agent or intermediary, as may be deemed necessary.

RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in this resolution, be and is hereby approved, ratified and confirmed in all respect."

By Order of the Board of Directors
For **Kinetic Engineering Limited**

Date: August 03, 2026
Place: Pune

Sd/-
Arun Hastimal Firodia
Chairman
(DIN: 00057324)

NOTES:

1. The Ministry of Corporate Affairs ("MCA") has vide its circular no. 03/2025 dated September 22, 2025, read with general circulars dated April 08, 2020, April 13, 2020, May 05, 2020 and subsequent circulars issued in this regard (collectively referred to as "MCA Circulars"), permitted convening the annual general meeting (AGM) through Video Conferencing ("VC") or Other Audio-Visual Means ("OAVM"), without the physical presence of the Members at a common venue. In compliance with the applicable provisions of the Companies Act, 2013 ("the Act") read with the rules made thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the AGM of the Company is being held through VC / OAVM. The deemed venue for the AGM shall be the registered office of the Company.
2. Since the AGM will be held through VC/OAVM, the Route Map of the venue of the AGM is not annexed to this Notice.
3. Pursuant to Section 105 of the Act and MCA circulars, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/ her behalf who may or may not be a Member of the Company. In terms of the Applicable Circulars, since this AGM is being held through VC/ OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM and hence, the Proxy Form and Attendance Slip are not annexed hereto.
4. Pursuant to Section 112 and Section 113 of the Act, Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPEG Format) of its Board or governing body Resolution/ Authorisation etc., authorising its representative to attend the e-AGM on its behalf and to vote either through remote e-voting or during the e-AGM. The said Resolution/ Authorisation should be sent electronically through their registered email address to the Scrutinizer at Dinesh Birla csdineshbirla@gmail.com with a copy marked to sandip.pawar@in.mpms.mufig.com and kelinvestors@kineticindia.com.
5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and applicable MCA Circulars issued by Ministry from time to time the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
6. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1,000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

7. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
8. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.
9. In compliance with the MCA Circulars and Regulation 36(1)(a) of the Listing Regulations, Notice of the AGM along with the Annual Report for the financial year 2025-26 is being sent only through electronic mode to those members whose e-mail address is registered with the Company / Registrar to an Issue and Share Transfer Agent / Depositories. Further, in compliance with Regulation 36(1)(b) of the Listing Regulations, a letter providing the web link, including the exact path, where Annual Report for the financial year 2025-26 is available, is being sent to those members whose e-mail address is not registered with the Company / Registrar to an Issue and Share Transfer Agent / Depositories. Members may note that this Notice and Annual Report for the financial year 2025-26 will also be available on the Company's website at <https://kineticindia.com/>, websites of the Stock Exchanges, i.e., BSE Limited at www.bseindia.com.
10. Members holding shares in demat form, who have not registered their email address, mobile numbers including address and bank details (including any changes thereof) may please contact and validate/ update their details with the Depository Participant. Members holding shares in physical form may register/ update their email address and mobile number with the Company's RTA - MUFG Intime India Private Limited by sending an e-mail request at the email ID sandip.pawar@in.mpms.mufig.com along with signed scanned copy of the request letter providing the email address, mobile number, self-attested PAN copy and copy of share certificate for registering their email address and receiving the Annual Report, AGM Notice and the e-voting instructions or alternatively sending by Form ISR-1 (available on the company website at from <https://kineticindia.com/investor-service-request-forms/> to the RTA of the Company. In case of any queries, shareholder may write to sandip.pawar@in.mpms.mufig.com

THE INSTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

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

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

- (i) The voting period begins on **Saturday, September 26, 2026 at 09.00 Hrs. IST and ends on Monday, September 28, 2026 at 17.00 Hrs. IST**. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of **Wednesday, September 23, 2026** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations

and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

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

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

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

- (iv) In terms of SEBI circular on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email ID in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit cdsi website www.cdsiindia.com and click on login icon & My Easi New (Token) Tab. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at cdsi website www.cdsiindia.com and click on login & New System Myeasi Tab and then click on registration option. 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdsiindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the

	Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL Depository	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS" "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 4) For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders (holding securities in demat mode) login through their Depository	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your

Participants (DP)	vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
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Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

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

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

(v) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**

- The shareholders should log on to the e-voting website www.evotingindia.com.
- Click on "Shareholders" module.
- Now enter your User ID
 - For CDSL: 16 digits beneficiary ID,
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- Next enter the Image Verification as displayed and Click on Login.
- If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- If you are a first-time user follow the steps given below:

For Physical shareholders and other than individual shareholders holding shares in Demat.	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.

Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.
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- After entering these details appropriately, click on "SUBMIT" tab.
- Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; kelinvestors@kineticindia.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / iPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at kelinvestors@kineticindia.com. These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

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

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

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

1. General Instructions:

- (i) The Board of Directors have appointed M/s Dinesh Birla & Associates as the Scrutinizer to the e-voting process, and voting at the AGM in a fair and transparent manner in its meeting held on August 03, 2026.
- (ii) The Chairman shall formally propose to the members participating through VC/OAVM facility to vote on the resolutions as set out in the Notice of the AGM and announce the start of the casting of vote through the e-voting system of CDSL.
- (iii) The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the meeting, thereafter unblock the votes through e-voting and make a consolidated Scrutinizers' report of the total votes cast in favor or against, if any, to the Chairman who shall countersign the same.
- (iv) The scrutinizer shall submit his report to the Chairman as the case may be, who shall declare the result of the voting. The results declared along with the scrutinizer's report shall be placed on the Company's website and shall also be communicated to the stock exchanges. The resolutions shall be deemed to be passed at the AGM of the Company.

2. The Scrutinizer shall make, not later than two working days of the conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman/person of the Meeting or a person authorized by him/her in writing, who shall countersign the same and declare the results of the voting forthwith.
3. The Results declared along with the Report of the Scrutinizer shall be placed on the website of the Company www.kineticindia.com, on the website of BSE Limited www.bseindia.com and also on the website of CDSL at www.evotingindia.com immediately after the declaration of result by the Chairman/person of the Meeting or the person authorized by him / her in writing.
4. On receipt of the requisite number of votes, the Resolutions shall be deemed to have been passed on the date of the AGM.

By Order of the Board of Directors
For **Kinetic Engineering Limited**

Date: August 03, 2026
Place: Pune

Sd/-
Arun Hastimal Firodia
Chairman
(DIN: 00057324)

EXPLANATORY STATEMENT UNDER SECTION 102(1) OF THE COMPANIES ACT, 2013 READ WITH SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATION, 2015.

Item No. 3: To re-appoint Dr. Arun Hastimal Firodia (DIN: 00057324), who retires by rotation and, being eligible, offers himself for re-appointment.

Pursuant to the provisions of Section 152 of the Companies Act, 2013 ("the Act"), Dr. Arun Hastimal Firodia (DIN: 00057324), Chairman and Non-Executive Director of the Company, retires by rotation at the ensuing Annual General Meeting and, being eligible, has offered himself for re-appointment.

Further, pursuant to Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), no listed entity shall appoint or continue the directorship of any Non-Executive Director who has attained the age of seventy-five years unless a Special Resolution is passed by the shareholders along with an explanatory statement indicating the justification for such appointment or continuation.

The Nomination and Remuneration Committee, after considering Dr. Arun Hastimal Firodia's qualifications, extensive experience, expertise, leadership qualities, industry knowledge and his significant contribution to the Board and the Company, recommended his re-appointment. The Board, based on the recommendation of the Nomination and Remuneration Committee and after evaluating his continued contribution, skills, experience, integrity, performance and strategic guidance, considered it desirable that the Company should continue to avail the benefit of his vast knowledge and experience.

Dr. Arun Hastimal Firodia has attained the age of 83 years and continues to serve as the Chairman and Non-Executive Director of the Company. A Padma Shri awardee, Distinguished Alumnus of IIT Bombay and recipient of the Massachusetts Institute of Technology (MIT) Alumnus Award, he is a highly respected industrialist and one of the pioneers of the Indian automobile industry. His exceptional leadership, strategic vision, extensive industry expertise and deep understanding of the Company's business have played a significant role in shaping the Company's long-term growth, corporate governance standards and sustainable value creation. The Board is of the view that his continued guidance, experience and stewardship will continue to be of immense value to the Company and all its stakeholders.

In view of his distinguished leadership, unparalleled experience, significant contributions to the Indian automobile industry and his continued valuable guidance to the Board, the Board considers the continuation of Dr. Arun Hastimal Firodia as a Chairman and Non-Executive Director to be in the best interests of the Company and its stakeholders. Accordingly, the Board recommends the Special Resolution set out at Item No. 3 of the Notice for approval of the Members.

Additional information relating to Dr. Arun Hastimal Firodia, as required under Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India, is provided in Annexure – A forming part of this Notice.

Except Dr. Arun Hastimal Firodia and his relatives, to the extent of their shareholding interest, if any, none of the Directors, Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 3 of the Notice.

Annexure A

Information provided pursuant to requirements given under Regulation 36(3) of SEBI Listing Regulations and Secretarial Standard on the General Meetings in respect of individuals proposed to be appointed/ re-appointed as director(s):

Name of the Director	Dr. Arun Hastimal Firodia, Chairman and Non-Executive Director
Date of Birth (Age)	March 23, 1943 (83 Years)
DIN	00057324
Date of Appointment	July 01, 1987
Qualification	B. Tech, M.S. (Electrical Engg.), M.S. (Management)
Brief Profile	Dr. Arun Hastimal Firodia is the Chairman of Kinetic Engineering Limited and Founder & Chairman of the Kinetic Group. He is a distinguished industrialist with over five decades of extensive experience in the automobile and engineering industry. He holds a Bachelor's degree in Electrical Engineering from the Indian Institute of Technology (IIT), Bombay, and Master's degrees in Electrical Engineering and Management from the Massachusetts Institute of Technology (MIT), USA. Under his visionary leadership, the Kinetic Group pioneered several innovations in the Indian automotive sector, including the iconic Luna, and established strategic collaborations with leading global automobile manufacturers. He has played a significant role in the growth of the Company through his strategic guidance, industry expertise and strong leadership. In recognition of his outstanding contribution to trade and industry, Mr. Firodia was conferred the Padma Shri by the Government of India in 2012. His continued association with the Company provides valuable strategic direction and contributes significantly to the Company's long-term growth and governance.
Nature of expertise in specific functional area/skills and capabilities	Over five decades of rich experience in the automobile and engineering industry. Expertise in strategic leadership, business management, manufacturing, technology collaborations, product innovation, corporate governance, and business development. Instrumental in establishing the Kinetic Group as a leading mobility solutions provider and driving strategic partnerships with global automobile manufacturers.
Terms and Conditions of Re-Appointment	Liable to retire by rotation
Last Drawn Remuneration (F.Y. 2025-26)	NIL

Details of remuneration sought to be paid	NIL
Memberships of Committees in other Listed Companies	NIL
Listed entities from which Dr. Arun Hastimal Firodia has resigned as Director in past 3 years	NIL
Number of Board meetings attended for F.Y. 2025-26	Attended all eight (8) meetings held during the financial year 2025-26.
Chairperson/Membership of the Committee(s) of the Board of Directors of the Company.	NIL
No. of Shares held in the Company	1,82,963
Inter-se relationship with other Director and Key Managerial Personnel	Dr. Arun Hastimal Firodia is the father of Mr. Ajinkya Arun Firodia and the spouse of Dr. Jayshree Arun Firodia.
No. of Shares held: (a) Own	1,82,963
(b) For other persons on a beneficial basis	Nil
Confirmation in compliance with SEBI Letter dated June 14, 2018 read along with Exchange Circular dated June 20, 2018 (Affirmation that the person proposed to be appointed as Director is not debarred from holding the office by virtue of any SEBI Order or any other authority).	Dr. Arun Hastimal Firodia is not debarred from holding the office of Director on account of any order of SEBI or any other such authority.

Item No. 4: Approval for continuation of Directorship of Mr. Jinendra Hirachand Munot (DIN: 00049838) as a Non-Executive Independent Director of the Company post attaining the age of 75 Years.

Mr. Jinendra Hirachand Munot (DIN: 00049838) was re-appointed as a Non-Executive Independent Director of the Company for a second term of five consecutive years commencing from October 20, 2025 up to October 19, 2030, by the Members of the Company.

During the aforesaid tenure, Mr. Munot will attain the age of 75 (Seventy-Five) years in August 2027. Pursuant to Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), no listed entity shall appoint or continue the directorship of a Non-Executive Director who has attained the age of 75 years unless a Special Resolution is passed by the Members approving such appointment or continuation, along with an explanatory statement indicating the justification for such appointment or continuation.

The Nomination and Remuneration Committee, after taking into consideration the outcome of the annual performance evaluation carried out by the Board, his continued adherence to the criteria of independence prescribed under the Companies Act, 2013 and the SEBI Listing Regulations, his active participation in the deliberations of the Board and Committees, his valuable guidance, strategic insights, governance expertise and significant contribution towards strengthening the corporate governance framework of the Company, recommended to the Board the continuation of Mr. Munot as a Non-

Executive Independent Director of the Company beyond the age of 75 years till the completion of his present term of office on October 19, 2030.

The Board has carried out the annual evaluation of the performance of Individual Directors, the Board and its Committees in accordance with the provisions of the Companies Act, 2013 and the SEBI Listing Regulations. Based on the outcome of such evaluation and the recommendation of the Nomination and Remuneration Committee, the Board is of the opinion that Mr. Munot possesses rich experience, sound business acumen, professional integrity, independence of judgement and expertise in corporate governance and strategic matters, all of which continue to add significant value to the deliberations and functioning of the Board. The Board believes that his continued association would be beneficial to the Company and its stakeholders.

The Board further confirms that Mr. Munot continues to satisfy the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI Listing Regulations and that he is not disqualified from acting as a Director in terms of Section 164 of the Companies Act, 2013.

Accordingly, pursuant to Regulation 17(1A) of the SEBI Listing Regulations, approval of the Members by way of a Special Resolution is sought for continuation of Mr. Jinendra Hirachand Munot as a Non-Executive Independent Director of the Company till the expiry of his current term of office ending on October 19, 2030, notwithstanding that he will attain the age of 75 years during his tenure.

The brief profile and other details of Mr. Jinendra Hirachand Munot, as required under the SEBI Listing Regulations and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, are provided in the Annexure B to this Notice.

Except Mr. Jinendra Hirachand Munot and his relatives, to the extent of their shareholding interest, if any, none of the Directors, Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the Notice.

Further, the Board is of the opinion that Mr. Munot possesses the skills, expertise and competencies identified by the Board, including industry knowledge, technical and engineering expertise, strategic decision-making and governance experience, and that his continued association would contribute to the effective functioning of the Board.

The Board of Directors, based on the recommendation of the Nomination and Remuneration Committee, recommends the Special Resolution set out at Item No. 4 of the Notice for approval of the Members.

Annexure B

Information provided pursuant to requirements given under Regulation 36(3) of SEBI Listing Regulations and Secretarial Standard on the General Meetings in respect of individuals proposed to be appointed/ re-appointed as director(s):

Name of the Director	Mr. Jinendra Hirachand Munot
Date of Birth (Age)	August 04, 1952 (74 years)
DIN	00049838
Date of Appointment and reappointment	20/10/2020 and 20/10/2025
Qualification	B.E. (Mech.), MS (Mech.)

Brief Profile & nature of expertise in specific functional areas	Mr. Jinendra Munot is a seasoned professional engineer with over 47 years of extensive experience in the automotive industry. He holds a Bachelor of Engineering (Mechanical), a Master of Science (Mechanical) from the USA, and is an Associate Member of the Institution of Engineers (AMIE), India. Throughout his distinguished career, Mr. Munot has demonstrated leadership and technical expertise across various facets of automotive engineering and management. In addition to his professional accomplishments, he was recognized as India's Champion Corporate Golfer in the prestigious DS Group - Economic Times Leaders Challenge Tour during 2008-09, reflecting his well-rounded personality and commitment to excellence.
Directorship in other listed Companies as on March 31, 2026	Nil
Chairmanship/Membership of Committees of other listed Companies as on March 31, 2026	Nil
Shareholding of non-executive directors in the listed entity, including shareholding as a beneficial owner	28,712 Equity Shares*
Number of Board meetings attended for F.Y. 2025-26	Attended 6 Meetings out of eight (8) meetings held during the financial year 2025-26.
disclosure of relationships between directors inter-se;	There is no inter-se relationship between Mr. Munot and other directors or Key Managerial Personnel (KMP) of the Company.
names of listed entities in which the person also holds the directorship and the membership of Committees of the board along with listed entities from which the person has resigned in the past three years.	Nil
In case of independent directors, the skills and capabilities required for the role and the manner in which the proposed person meets such requirements.	Being an Independent Director of the Company, ethical and high standards of conduct is of utmost importance which enables directors to provide the challenge and rigor required to help the Board achieve a comprehensive understanding of information and options, as well as high standards of decision-making. Keeping in view the above requirement, Board is in the view that Mr. Munot will contribute to the Company which will ultimately benefit the Company at a large.
Confirmation in compliance with SEBI Letter dated June 14, 2018 read along with Exchange Circular	Mr. Jinendra Munot is not debarred from holding the office of Director on account of any order of SEBI or any other such authority.

dated June 20, 2018 (Affirmation that the person proposed to be appointed as Director is not debarred from holding the office by virtue of any SEBI Order or any other authority).

* holds 23,576 shares through Jinendra Hirachand Munot HUF

Item No. 5: Reclassification of Authorised Share Capital and consequent Alteration of Memorandum of Association.

The existing Authorised Share Capital of the Company is Rs. 1,95,90,82,530/- (Rupees One Hundred Ninety-Five Crore Ninety Lakh Eighty-Two Thousand Five Hundred Thirty Only) comprising Equity Shares and multiple classes of Preference Shares having different face values and terms.

With a view to rationalising and simplifying the capital structure of the Company, the Board of Directors, at its meeting held on August 03, 2026, approved the proposal to reclassify the existing authorised Preference Share Capital by consolidating the various classes of authorised Preference Shares into a single class of Preference Shares of face value of Rs. 10/- each, while keeping the authorised Equity Share Capital unchanged.

Accordingly, it is proposed to reclassify the existing Authorised Share Capital of the Company from:

- 5,30,13,932 Equity Shares of Rs. 10/- each; and
- Various classes of authorised Preference Shares, namely:
 - 80,000 8.00% Optionally Convertible Cumulative Preference Shares of Rs. 120/- each;
 - 8,30,154 Optionally Convertible Cumulative Preference Shares of Rs. 65/- each;
 - 11,76,650 8.5% New Optionally Convertible Cumulative Preference Shares of Rs. 65/- each;
 - 3,20,500 Redeemable Cumulative Preference Shares of Rs. 156/- each;
 - 1,02,000 Optionally Convertible Cumulative Preference Shares of Rs. 156/- each; and
 - 12,22,99,095 Preference Shares of Rs. 10/- each,

into:

- 5,30,13,932 Equity Shares of Rs. 10/- each; and
- 14,28,94,321 Preference Shares of Rs. 10/- each,

without any change in the aggregate Authorised Share Capital of the Company, which shall continue to remain Rs. 1,95,90,82,530/-.

The proposed reclassification relates only to the unissued portion of the existing authorised classes of Preference Share Capital and does not affect any issued, subscribed or paid-up share capital of the Company. There is no increase or reduction in the aggregate Authorised Share Capital of the Company, and the authorised Equity Share Capital remains unchanged.

Consequent upon the aforesaid reclassification, Clause V of the Memorandum of Association of the Company is proposed to be amended to reflect the revised Authorised Share Capital.

In terms of Sections 13, 61 and 64 of the Companies Act, 2013, alteration of the Authorised Share Capital and amendment of the Memorandum of Association require the approval of the Members by way of a Special Resolution.

The Board of Directors recommends the Special Resolution set out at Item No. 5 of the Notice for approval of the Members.

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

Item No. 6: To approve material related party transaction(s) between the Company and Kinetic Watts and Volts Ltd.

Pursuant to the Provisions of Section 188 of the Companies Act, 2013 ("the Act"), the Companies (Meetings of Board and its Powers) Rules, 2014, the Related Party Transactions as mentioned in clause (a) to (g) of the said section require a Company to obtain approval of the Board of Directors and subsequently the Shareholders of the Company by way of an Ordinary resolution in case the value of the Related party transactions exceeds the stipulated thresholds prescribed in Rule 15 of the said Rules and transactions other than in Ordinary course of business and on arm's length basis.

Regulation 23(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("SEBI Listing Regulations") provides that all material related party transactions and subsequent material modifications as defined by the audit committee under sub-regulation (2) of Regulation 23 shall require prior approval of the shareholders through resolution and no related party shall vote to approve such resolutions whether the entity is a related party to the particular transaction or not. A transaction with a related party shall be considered material, if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds Rs. 1,000 crores or 10% of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity, whichever is lower.

The details of the aforesaid transactions are captured under "Annexure C" of this AGM Notice which are in the ordinary course of business and on arm's length basis and are in accordance with Related Party Transactions Policy of the Company. These transactions are undertaken for smooth business operations and overall growth of the business of the Company.

The value of such transaction(s) (individually or taken together with previous transactions) for the proposed item no. 6, during the tenure of the resolution, may exceed Rs. 1,000 crores or 10% of the annual consolidated turnover of the Company as per the last audited financial statements of the Company, whichever is lower, and hence, approval of the shareholders of the Company by way of an ordinary resolution mentioned at Item No. 6 are being sought.

The Audit Committee of the Company consisting only of Independent Directors, and the Board of Directors, have, based on relevant details provided by the management, held on May 29, 2026, reviewed and approved the said transaction(s), while noting that such transactions shall be on arm's length basis and in the ordinary course of business and are in accordance with Related Party Transactions Policy of the Company.

The Board accordingly recommends the resolutions set out at Item No. 6 of this Notice for approval by the Members by way of an ordinary resolution. It is in the above context that the Resolutions No. 6 proposed for the approval of the Shareholders of the Company.

Dr. Arun Hastimal Firodia, Mrs. Jayashree Arun Firodia and Mr. Ajinkya Arun Firodia may be deemed to be interested, financially or otherwise, in the resolution as set out at Item No. 6 of the Notice. Except these, none of the other Directors and Key Managerial Personnel are deemed to be concerned or interested, financially or otherwise in the proposed Ordinary Resolution.

Annexure C	
The disclosures under Rule 15(3) (ii) of the Companies (Meetings of Board and its Powers) Rules, 2014, as amended as enumerated herewith	
Name of the related party	Kinetic Watts and Volts Limited
Name of the Director or Key Managerial Personnel who is related, if any	Mr. Ajinkya Arun Firodia, Dr. Arun Hastimal Firodia and Mrs. Jayashree Arun Firodia may be deemed to be interested in the resolution. Except them, none of the Directors, Key Managerial Personnel of the Company or their respective relatives, are concerned or interested in the above said resolution.
Nature of Relationship	Kinetic Watts and Volts Limited is Direct Subsidiary of the Company & hence a Related Party.
Nature, material terms, monetary value and particulars of the contract or arrangements;	Value of the transaction (Rs.) - Not exceeding Rs. 50 crores (whether by way of an individual transaction or transactions taken together or series of transactions or otherwise) for FY 2026-27. The transactions involves: Sale, Purchase, Supply of goods /materials, Availing/rendering of services, Receipt & Payment of Interest on Loans & Advances, Investments, borrowings, lending, and other recurring transactions for furtherance of business.
Any other information relevant or important for the members to take a decision on the proposed resolution.	All-important or relevant information has been provided in the foregoing paragraphs of the explanatory statement.

The details of transactions as required under Regulation 23(4) of the Regulations are set forth below:

Sr. No.	Particulars	Details
1.	Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise)	Kinetic Watts and Volts Limited (Material Subsidiary Company)

2.	Name of Director(s) or Key Managerial Personnel who is related, if any	Mr. Ajinkya Arun Firodia, Mr. Arun Hastimal Firodia and Mrs. Jayashree Arun Firodia may be deemed to be interested.
3.	Type, tenure, material terms and particulars	Sale, Purchase, Supply of goods /materials, Availing/ rendering of services, Receipt & Payment of Interest on Loans & Advances, Investments, borrowings, lending, and other recurring transactions for furtherance of business.
4.	Value of the transaction	Value of the transaction (H) - Not exceeding Rs. 50 crores (whether by way of an individual transaction or transactions taken together or series of transactions or otherwise) for FY 2026-27.
5.	The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction (and for a RPT involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover on a standalone basis shall be additionally provided).	The transaction value at 4 above represents 32% of the annual consolidated turnover of the Company for FY2025-26.
6.	Details of the transaction relating to any loans, inter corporate deposits, advances or investments made or given by the listed entity or its subsidiary	The Company has made an investment of ₹47.00 Crore in Kinetic Watts and Volts Limited, its subsidiary, by subscribing to 4,70,00,000 Equity Shares of the face value of ₹10/- each at par, pursuant to the Rights Issue made by the subsidiary. The said Equity Shares were issued and allotted to the Company in six tranches as follows: • 50,00,000 Equity Shares on April 09, 2025; • 1,00,00,000 Equity Shares on May 24, 2025; • 1,00,00,000 Equity Shares on August 24, 2025; • 90,00,000 Equity Shares on November 06, 2025; • 30,00,000 Equity Shares on February 23, 2026; and • 1,00,00,000 Equity Shares on March 31, 2026. The investment was made by the Company by subscribing to the aforesaid Rights Issue of its subsidiary.
	i) Details of the source of funds in connection with the proposed transaction.	Own Funds

	ii) where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments • nature of indebtedness; • cost of funds; and • tenure;	Not Applicable
	iii) applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security; and	Not Applicable
	iv) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT	KWVL will use the funds for its growth strategy and business expansions.
7.	Justification as to why the RPT is in the interest of the listed entity	These transactions are undertaken in the ordinary course of business and on an arm's length basis, enabling operational efficiency, cost optimization, and effective utilization of resources. They provide financial flexibility, strengthen business synergies, and support timely execution of operations, thereby contributing to the company's growth, profitability, and long-term stakeholder value, and are thus in the best interest of the listed entity. Accordingly the transactions are in the interest of both the parties.
8.	Any valuation or other external party report relied upon by the listed entity in relation to the transactions	Not Applicable
9.	Any other information that may be relevant	All-important or relevant information has been provided in the foregoing paragraphs of the explanatory statement.

By Order of the Board of Directors
For **Kinetic Engineering Limited**

Date: August 03, 2026
Place: Pune

Sd/-
Arun Hastimal Firodia
Chairman
(DIN: 00057324)

**Members are requested to support the "Green Initiative" by registering their email address with the Registrar & Share Transfer Agent (RTA)/Company, if not already done.*

DIRECTORS REPORT

To The Members,

Your Directors are pleased to present the 55th (Fifty-Fifth) Annual Report of Kinetic Engineering Limited ("the Company" or "KEL"), together with the Audited Standalone and Consolidated Financial Statements for the financial year ended March 31, 2026.

This Board's Report has been prepared based on the standalone financial statements of the Company. It also highlights the performance of the Company's subsidiary and its contribution to the overall performance of the Company during the year under review.

1. FINANCIAL SUMMARY AND HIGHLIGHTS

Particulars	(Rs. in Lakhs)			
	Standalone		Consolidated	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Revenue from Operations	15,031.44	14,246.45	15,774.83	14,246.45
Other Income	798.57	1,250.62	865.77	1,281.56
Total Income	15,830.01	15,497.07	16,640.60	15,527.02
Operating & Other Expenses	14,433.85	13,683.73	15,263.42	13,745.49
Finance Cost	582.49	490.21	582.49	490.21
Depreciation and Amortization expense	507.35	649.80	632.01	668.74
Total Expenses	15,523.69	14,823.74	16,477.92	14,907.44
Profit Before Exceptional Items	306.32	673.33	162.68	622.58
Exceptional Items – Wage code revision - Gratuity Past service cost	-75.51	-	-75.51	-
Profit Before Tax (PBT)	230.81	673.33	87.18	622.58
Tax Expenses	0.00	0.00	0.00	0.00
Profit After Tax (PAT)	230.81	673.33	87.18	622.58

On a consolidated basis, the Company achieved revenue from operations of ₹15,774.83 lakh during FY 2026, as compared to ₹14,246.45 lakh in the previous financial year, reflecting a growth of 10.73%. The Company closed the year with a Profit after Tax (PAT) of ₹87 lakh.

On a standalone basis, the Company achieved revenue from operations of ₹15,031.44 lakh during FY 2026, as compared to ₹14,246.45 lakh in FY 2025, reflecting a growth of 5.51%. The Company closed the year with a Profit after Tax (PAT) of ₹230.81 lakh.

2. AMOUNT, IF ANY, WHICH THE BOARD PROPOSES TO CARRY TO ANY RESERVES

Your Directors do not propose to transfer any amount to the General Reserve for the financial year ended March 31, 2026. Accordingly, the entire profit for the year has been retained in the Statement of Profit and Loss.

3. DIVIDEND

In view of the Company's future growth plans and business expansion requirements, the Board of Directors has not recommended any dividend for the financial year ended March 31, 2026.

The Company's Dividend Distribution Policy is available on the Company's website under the Investor Relations section at <https://kineticindia.com/policies-and-codes/> and includes the parameters as set out in Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 ("SEBI Listing Regulations").

4. STATE OF THE COMPANY'S AFFAIRS

The Company's business performance and key developments during the year are discussed in detail in the Management Discussion and Analysis Report, which forms part of this Annual Report.

5. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY, HAVING OCCURRED SINCE THE END OF THE YEAR AND TILL THE DATE OF THE REPORT

No material changes and commitments, other than disclosed as part of this report, affecting the financial position of the Company have occurred between March 31, 2026 and the date of the report.

6. CHANGE IN THE NATURE OF BUSINESS

During the period under review, there is no change in the nature of business of the Company.

7. CAPITAL STRUCTURE

Authorized share capital

There was no change in authorized share capital of the Company. The Authorized share capital of the Company at year end Rs. 1,95,90,82,530/- comprises of Equity and Preference shares.

Subscribed and Paid-up share capital

Issued, subscribed and paid-up share capital of the Company at the year end is as follows.

Class of Shares	Value Per Share	Authorised Capital		Issued Capital		Subscribed Capital and Paid up Capital	
		No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount
Equity Shares	10	5,30,13,932	53,01,39,320	2,73,93,384	27,39,33,840	2,69,11,091	26,91,10,910
8.00% Optionally Convertible Cumulative Preference Shares	120	80,000	96,00,000	0	0	0	0
Optionally Convertible Cumulative Preference Shares	65	8,30,154	5,39,60,010	0	0	0	0
8.5% New Optionally Convertible Cumulative Preference Shares	65	11,76,650	7,64,82,250	0	0	0	0

Redeemable Cumulative Preference Shares	156	3,20,500	4,99,98,000	0	0	0	0
Optionally Convertible Cumulative Preference Shares	156	1,02,000	1,59,12,000	0	0	0	0
Preference Shares	10	12,22,99,095	1,22,29,90,950	0	0	0	0

Note: During the financial year, 31,00,000 Equity Shares were allotted on March 11, 2026 pursuant to conversion of warrants. The said Equity Shares were pending listing/trading approval as at March 31, 2026.

Note: On March 14, 2021, the members of the Company approved the issue of 17,70,862 Equity Shares pursuant to the conversion of loan into Equity Shares. However, only 12,88,569 Equity Shares were subsequently allotted. Accordingly, there is a difference of 4,82,293 Equity Shares between the number of Equity Shares approved for issue and the Equity Shares actually allotted, resulting in a corresponding difference in the Issued, Subscribed and Paid-up Share Capital.

8. INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Pursuant to the provisions of Section 124 of the Companies Act, 2013, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), all unpaid or unclaimed dividends are required to be transferred to the Investor Education and Protection Fund ("IEPF") established by the Central Government upon the expiry of seven (7) years from the date they become due for payment.

Further, in accordance with the IEPF Rules, the equity shares in respect of which dividend has not been claimed by the shareholders for seven (7) consecutive years or more are also required to be transferred to the demat account of the IEPF Authority.

As on the date of this Report, the Company does not have any unpaid or unclaimed dividend that is required to be transferred to the IEPF. Accordingly, no equity shares are liable to be transferred to the demat account of the IEPF Authority.

9. MANAGEMENT

Directors and Key Managerial Personnel

As on March 31, 2026, the Board of Directors of the Company comprised nine Directors, consisting of one Non-Executive Chairman, one Executive Director, and seven Non-Executive Directors, including five Independent Directors. The composition of the Board was in conformity with the provisions of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ensuring an appropriate balance of executive and non-executive representation, with an optimum mix of skills, expertise, and independent judgment.

The appointment and remuneration of Directors are governed by the Policy devised by the Nomination and Remuneration Committee of your Company. The detailed terms of reference of the Nomination and Remuneration Committee is provided in this report.

A. Retirement by rotation and subsequent re-appointment

Pursuant to the provision of section 152 of the Act, Dr. Arun Hastimal Firodia (DIN: 00057324), Chairman and Non-executive Director, is liable to retire by rotation and being eligible for re-

appointment at the ensuing Annual General Meeting ("AGM") of the Company, has offered himself for reappointment. His details as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India are contained in the accompanying Notice convening the ensuing AGM of the Company. An appropriate resolution seeking the shareholders' approval for his re-appointment as Chairman and Non-Executive Director is included in the Notice of the AGM.

B. Changes in Directors and Key Managerial Personnel ("KMP") during year under review.

During the year under review, the following changes have taken place in the Board of Directors and Key Managerial Personnel of the Company.

Sr. No.	Name of Director and KMP	Designation	Appointment/Resignation/Change in Designation	Date
1.	Mr. Shashikant Shivanand Gulve	Additional Director (Non-Executive Non-Independent Director)	Appointment	28/07/2025
2.	Mr. Shashikant Shivanand Gulve	Director (Non-Executive Non-Independent Director)	Change in Designation	30/09/2025 w.e.f. 28/07/2025
3.	Mr. Jinendra hirachand Munot	Independent Director	Re-appointment for second term	20/10/2025
4.	Mr. Venkataiah Madipalli	Independent Director	Re-appointment for second term	10/02/2026

C. Declaration from the Independent Directors

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

- they meet the criteria of independence as prescribed under the provisions of the Act, read with Schedule IV and Rules issued thereunder, and the Listing Regulations. There has been no change in the circumstances affecting their status as Independent Directors of the Company;
- they have complied with the Code for Independent Directors prescribed under Schedule IV to the Act; and they have registered themselves with the Independent Director's Database maintained by the Indian Institute of Corporate Affairs and have qualified the online proficiency self-assessment test or are exempted from passing the test as required in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualifications of Directors) Rules, 2014.

None of the Directors of the Company are disqualified from being appointed as Directors as specified under Section 164(1) and 164(2) of the Act read with Rule 14(1) of the Companies (Appointment and Qualifications of Directors) Rules, 2014 or are debarred or disqualified by the Securities and Exchange Board of India ("SEBI"), Ministry of Corporate Affairs ("MCA") or any other such statutory authority.

All members of the Board and the Senior Management Personnel have affirmed compliance with the Code of Conduct for Board and Senior Management Personnel for the financial year 2025-26. The Company has obtained a certificate from an independent Practising Company Secretary confirming that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as a Director by the Securities and Exchange Board of India (SEBI), the Ministry of Corporate Affairs (MCA), or any other statutory authority.

Lead Independent Director

Mr. Jinendra Hirachand Munot acts as the "Lead Independent Director" and co-ordinates with the company senior management on behalf of the other independent directors for various information flow and advising on improvement areas, among others.

Familiarization Program for Independent Directors

Pursuant to Regulation 25(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has in place a Familiarisation Programme for its Independent Directors with an objective to familiarise them with the Company, its business operations, industry dynamics, business model, strategic priorities, regulatory environment, governance practices and their roles, rights and responsibilities as Directors.

The Familiarisation Programme includes presentations by the senior management on the Company's business performance, operations, industry developments, legal and regulatory updates, risk management framework, internal control systems and other significant matters. The Independent Directors are also provided with opportunities to interact with the senior management and functional heads to gain a comprehensive understanding of the Company's business and the environment in which it operates.

The details of the Familiarisation Programme imparted to the Independent Directors are available on the Company's website under the Investor Relations section at <https://kineticindia.com/policies-and-codes/>.

Opinion of the Board on the Integrity, Expertise and Experience (including Proficiency) of Independent Directors

In the opinion of the Board, all the Independent Directors possess the requisite integrity, expertise, experience, proficiency and qualifications required to effectively discharge their duties and responsibilities. The Board is satisfied that the Independent Directors appointed on the Board have the appropriate skills, knowledge, experience and competence in their respective fields and continue to provide valuable guidance and independent judgment on matters concerning the Company.

Board Meetings

The Board met Eight (8) times during the financial year 2025-26 viz. April 09, 2025, May 13, 2025, July 28, 2025, August 04, 2025, September 24, 2025, November 12, 2025, February 03, 2026 and March 11, 2026.

Audit Committee

All the Committee members are Non-Executive Independent Directors. All the Members of the Committee possess sufficient accounting and financial management knowledge. The Company Secretary of the Company is the Secretary of the Committees also. The recommendations of the Audit Committee during the year were accepted by the Board.

Nomination & Remuneration Committee

All the Committee members are Non-Executive Independent Directors. The Company Secretary of the Company is the Secretary of the Committees also. The recommendations of the Committee on the director remuneration during the year were accepted by the Board.

Stakeholders Relationship Committee

The Committee assists the Board and the Company in maintaining healthy relationships with all stakeholders. All the Committee members are Non-Executive Independent Directors. The Company Secretary of the Company is the Secretary of the Committees also.

Risk Management Committee

The provisions of Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 relating to the constitution of a Risk Management Committee are not applicable to the Company during the financial year under review. Accordingly, the Company is not required to constitute a Risk Management Committee.

The details with respect to the composition, terms of reference, number of meetings held and business transacted by the aforesaid Committees are given in the "Corporate Governance Report" of the Company.

Independent Director Meeting:

During the year under review, a separate meeting of the Independent Directors was held on March 11, 2026, with no participation of Non- Independent Directors or the Management of the Company. The Independent Directors had discussed and reviewed the performance of the Non-Independent Directors and the Board as a whole and also assessed the quality, quantity and timeliness of the flow of information between the Management and the Board, which is necessary for the Board to effectively and reasonably perform its duties

Board Diversity and Policy on Director's Appointment and Remuneration

Your Company have always strived for relevant diversity in the Board representing a healthy mix of gender & experience. The policy on 'Nomination and Remuneration' and 'Board Diversity' adopted by the Board sets out the criteria for determining qualifications, positive attributes and independence while evaluating a person for appointment / reappointment as a Director or as KMP, with no discrimination on the grounds of gender, race or ethnicity, nationality or country of origin.

The detailed Nomination & Remuneration Policy is annexed as Annexure-IV and forms part of this Report and is also available on the website of the <https://kineticindia.com/policies-and-codes/> under Investor Relations Section.

Formal Annual Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Listing Regulations, 2015, Independent Directors at their discussion, without the participation of the Non Independent Directors and Management, evaluated the Boards' performance, Performance of the Chairman and other Non-Independent Directors.

The Board subsequently evaluated its own performance, the working of its Committees (Audit, Nomination and Remuneration and Stakeholders Relationship Committee) and Independent Directors (without participation of the relevant Director).

The criteria for performance evaluation have been detailed in the Corporate Governance Report which forms part of the Annual Report.

Directors' Responsibility Statement

Pursuant to Section 134(5) of the Act, the Board of Directors, to the best of its knowledge and ability, confirm that:

- (a) In the preparation of the annual accounts for the Financial Year ended March 31, 2026 the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) The Directors had in consultation with Statutory Auditors, selected accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2026;
- (c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and irregularities;
- (d) The Directors have prepared the annual accounts on a going concern basis;
- (e) The Directors have laid down adequate Internal Financial Controls to be followed by the Company and such Internal Financial Controls were operating effectively during the Financial Year ended March 31, 2026;
- (f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively throughout the Financial Year ended March 31, 2026.

10. INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal financial controls commensurate with the size, scale and complexity of its operations. These controls are designed to provide reasonable assurance regarding the orderly and efficient conduct of business, safeguarding of assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records, and the timely preparation of reliable financial information.

The adequacy and effectiveness of the internal financial controls are periodically reviewed by the Audit Committee. Based on such reviews and the evaluation carried out by the management, the Board is of the opinion that the Company has an adequate and effective internal financial control system, which was operating effectively during the financial year under review.

11. DISCLOSURES RELATING TO SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

As on March 31, 2026, the Company had one subsidiary, namely Kinetic Watts and Volts Limited. The statement containing the salient features of the financial statements of the subsidiary in Form AOC-1, as required under Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, forms part of this Annual Report as Annexure III.

The Consolidated Financial Statements of the Company, prepared in accordance with the applicable provisions of the Companies Act, 2013 and the Indian Accounting Standards (Ind AS), form an integral part of this Annual Report.

The Company does not have any associate company or joint venture as on March 31, 2026.

12. PUBLIC DEPOSITS

During the year under review your Company has not accepted any deposits from the public in terms of Section 73 and Section 74 of the Act read with The Companies (Acceptance of Deposits) Rules 2014.

13. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in Note 4 & 5 of Notes to the Financial Statements.

14. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All Related Party Transactions entered into by the Company during the financial year under review were in the ordinary course of business and on an arm's length basis. These transactions were in compliance with the applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

In terms of the SEBI Listing Regulations, all Related Party Transactions are placed before the Audit Committee for its prior approval. The Audit Committee grants omnibus approval for repetitive transactions proposed to be entered into during the financial year, subject to the criteria prescribed under the applicable laws. The details of Related Party Transactions entered into pursuant to such omnibus approvals are reviewed by the Audit Committee on a periodic basis.

During the financial year under review, the Company did not enter into any Related Party Transactions that were material or that were not in the ordinary course of business or on an arm's length basis. Accordingly, there were no contracts or arrangements requiring disclosure in Form AOC-2 pursuant to Section 134(3)(h) read with Section 188 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014. A Nil Form AOC-2 is annexed to this Report as Annexure II for disclosure purposes.

The disclosures relating to Related Party Transactions, as required under the applicable Indian Accounting Standards (Ind AS), form part of the Notes to the Standalone and Consolidated Financial Statements.

In accordance with Regulation 23(9) of the SEBI Listing Regulations, the Company has submitted the half-yearly disclosures of Related Party Transactions to BSE Limited within the prescribed timelines. Pursuant to Regulation 23(9) of the Listing Regulations, the Company has filed the half yearly reports on related party transactions with the stock exchanges on which the shares of the Company are listed.

The Policy on Related Party Transactions, as approved by the Board of Directors, is available on the Company's website under the Investor Relations section at <https://kineticindia.com/policies-and-codes/>.

15. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The provisions relating to Corporate Social Responsibility (CSR) under Section 135 of the Companies Act, 2013 are not applicable to the Company, as it did not meet any of the prescribed thresholds relating to net worth, turnover or net profit during the immediately preceding financial year. Accordingly, the Company was not required to constitute a Corporate Social Responsibility Committee, formulate a CSR Policy or undertake CSR expenditure during the financial year under review.

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

The information pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo as required under section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished as Annexure I to this Report.

17. DEVELOPMENT AND IMPLEMENTATION OF A RISK MANAGEMENT POLICY

The Company has established a structured risk management framework for identification, assessment, mitigation and monitoring of risks arising from its business operations. The Board periodically reviews the Company's risk profile and the adequacy of mitigation measures implemented by the Management.

The principal risks identified by the Company include, inter alia, business and economic risks, raw material price volatility, customer concentration, technology and product development risks, supply chain risks, financial risks, foreign exchange risks, regulatory and compliance risks and operational risks. Appropriate mitigation measures and internal controls have been implemented to manage these risks.

Based on the assessment undertaken during the year, the Board is of the opinion that there are no risks which, in its view, may threaten the existence of the Company. Further details of the risks and mitigation measures are provided in the Management Discussion and Analysis forming part of this Annual Report.

18. MATERIAL ORDERS OF JUDICIAL BODIES /REGULATORS

No significant material orders were passed by the Regulators/ Court /Tribunal which would impact the going concern status of the Company and its future operations.

19. AUDITORS

Statutory Auditor

Pursuant to the provisions of Section 139 of the Companies Act, 2013, M/s. Pawan Jain & Associates, Chartered Accountants (Firm Registration No. 107867W), were appointed as the Statutory Auditors of the Company to hold office for a term of five consecutive years until the conclusion of the Annual General Meeting of the Company to be held in the calendar year 2027.

Statutory Auditors' Report

The Statutory Auditors have issued an unmodified opinion on the Standalone and Consolidated Financial Statements of the Company for the financial year ended March 31, 2026. The Auditors' Report does not contain any qualification, reservation, adverse remark or disclaimer.

Further, pursuant to the provisions of Section 143(12) of the Companies Act, 2013, the Statutory Auditors have not reported any instance of fraud under Section 143(12) of the Act during the financial year under review.

Secretarial Auditor

During the year under review, the Members approved the appointment of M/s. Dinesh Birla & Associates, Practising Company Secretaries as the Secretarial Auditors of the Company, to hold office for a term of five consecutive years up to FY 2030.

Secretarial Auditor's Report

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors and Shareholders in 54th Annual General Meeting had appointed M/s. Dinesh Birla & Associates, Practising Company Secretaries, to conduct the Secretarial Audit of the Company for the financial year ended March 31, 2026. The Secretarial Audit Report forms part of this Annual Report as Annexure – VI.

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, M/s. Dinesh Birla & Associates, Practising Company Secretaries, were appointed to conduct the Secretarial Audit of the Company for the financial year ended March 31, 2026. The Secretarial Audit Report forms part of this Annual Report as Annexure – VI.

Further, pursuant to the provisions of Section 143(12) of the Companies Act, 2013, the Secretarial Auditor has not reported any instance of fraud under Section 143(12) of the Act during the financial year under review.

The Secretarial Audit Report contains certain observations, to which the Management's responses are as under:

1. Delay in disclosure of proceedings of the Annual General Meeting:

The delay of 9.30 hours in submitting the proceedings of the 54th Annual General Meeting to BSE was due to a technical glitch in the system. The Company subsequently resubmitted the proceedings along with the requisite clarification to BSE on October 08, 2025. The Auditor satisfied with the action taken by the Company.

2. Delay in publication of financial results:

The financial results were submitted to the newspaper publication agency on the date of the Board Meeting itself. However, publication was delayed by 2 days due to reasons attributable to the publisher/newspaper agency. The Auditor satisfied with the action taken by the Company.

3. Non-filing of Form MSME-1:

The filing of Form MSME-1 for the respective half-yearly periods could not be completed within the prescribed timelines due to non-availability of the requisite information/data from the concerned parties. The Company is in the process of collating and validating the requisite information and shall complete the filing of the applicable Form MSME-1 upon receipt and verification of the required data. The Company has also strengthened its internal compliance mechanism to ensure timely compliance going forward.

4. Difference in figures reported in Audited Financial Results and Annual Report:

The differences in certain figures, including Revenue from Operations, Other Expenses, Capital Work-in-Progress, Other Current Assets, Trade Payables and Other Current Liabilities, were due to regrouping, reclassification and presentation adjustments. The said adjustments had no impact on the net profit/(loss) of the Company. The Company has further strengthened its reconciliation and review process to ensure consistency in future disclosures.

Cost Records and Cost Audit

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Companies Act, 2013 are not applicable for the business activities carried out by the Company.

20. COMPLIANCE WITH SECRETARIAL STANDARD

The Company generally complies with all the applicable Secretarial Standards issued by the Council of the Institute of Company Secretaries of India.

21. CORPORATE INSOLVENCY RESOLUTION PROCESS

During the financial year under review, no application was made, nor were any proceedings initiated or pending against the Company under the provisions of the Insolvency and Bankruptcy Code, 2016.

22. EXTRACT OF ANNUAL RETURN

The draft of Annual Return of the Company in Form MGT 7 in accordance with Section 92(3) of the Act is available on the website of the Company at <https://kineticindia.com/annual-return/>.

23. ONE TIME SETTLEMENT AND VALUATION

During the year the Company has not made any onetime Settlement and Valuation.

24. DISCLOSURES PERTAINING TO THE SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your Company has a policy on Prevention of Sexual Harassment ("POSH") at workplace and has put in place a Redressal mechanism for resolving complaints received with respect to sexual harassment and discriminatory employment practices for all genders. The Company has constituted Internal Complaints Committee which is responsible for redressal of complaints related to sexual harassment.

Details of the same as under as required:

Sr. No.	Particulars	Details
1	Number of complaints of sexual harassment received in the year	0
2	Number of complaints disposed off during the year	0
3	Number of cases pending for more than ninety days	0

POSH Policy of the Company is available on the Company's website at <https://kineticindia.com/policies-and-codes/>.

25. THE NAMES OF COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR

During the financial year under review, no company became or ceased to be a subsidiary, joint venture or associate company of the Company.

26. REMUNERATION OF THE DIRECTORS / KEY MANAGERIAL PERSONNEL (KMP) / EMPLOYEES

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in the prescribed format and annexed herewith as "Annexure V" and forms part of this Report.

However, in accordance with the provisions of Section 136 of the Act, the Annual Report is being sent to the Members and others entitled thereto, excluding the information on employees' remuneration particulars as required under Rule 5 (2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The disclosure is available for inspection by the Members at the Registered Office of your Company during business hours on all working days of the Company up to the date of the ensuing AGM. Any Member interested in obtaining a copy thereof, may write an email to kelinvestors@kineticindia.com.

27. DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM

The Company has established a Vigil Mechanism/Whistle Blower Policy in accordance with the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, to provide a mechanism for Directors, employees and other stakeholders to report genuine concerns regarding unethical behaviour, actual or suspected fraud, or violations of the Company's Code of Conduct.

The Policy provides adequate safeguards against victimisation of persons who avail of the mechanism and ensures direct access to the Chairperson of the Audit Committee in appropriate and exceptional cases. All protected disclosures received under the Policy are investigated in a fair, transparent and timely manner.

The Company affirms that during the financial year under review, no Director or employee was denied access to the Chairperson of the Audit Committee. Further, no whistle blower complaints were received during the year. The said Policy is available on the Company's website under the Investor Relations section at <https://kineticindia.com/policies-and-codes/>.

28. OTHER DISCLOSURES

Consolidated Accounts:

The Consolidated financial statements for F.Y. 2025-26 have been prepared in line with Companies Act, 2013, Indian Accounting standards (IND-AS) and SEBI Listing Regulations, 2015, based on the audited financials of the Company and its Subsidiaries as approved by their Board.

Internal Audit:

The Company has a robust Internal Audit function commensurate with the size, scale and complexity of its operations. The Internal Audit function provides independent and objective assurance on the adequacy and effectiveness of the Company's internal control systems, risk management framework, governance processes, and compliance with applicable laws, internal policies and procedures. Based on the audit findings, appropriate corrective actions are initiated by the respective process owners to strengthen the control environment. Significant audit observations and the status of implementation of corrective actions are periodically placed before the Audit Committee for its review and guidance.

Credit Rating of Securities:

During the year under review, Care Ratings Limited, the credit rating agency has assigned a rating "CARE A4+" for short-term Bank Facilities and "CARE BB+" with "Stable" outlook for Long-term Bank Facilities.

Industrial Relations:

The Company continued to enjoy cordial and harmonious industrial relations during the year under review. The management remains committed to fostering a positive work environment based on mutual trust, respect and collaboration.

Prevention of Insider Trading:

Your Company has adopted a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information, in accordance with the requirements of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 2015, as amended from time to time.

The Company Secretary is the Compliance Officer for monitoring adherence to the said Regulations. The Code is displayed on the Company's website at <https://kineticindia.com/policies-and-codes/>.

Accounting treatment in preparation of financial statements:

The financial statements of the Company have been prepared in accordance with Indian Accounting Standard ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 read with Section 133 of the Companies Act, 2013.

Listing fees:

Your Company has paid requisite annual listing fees to BSE Limited (BSE) where its securities are listed.

Return on equity:

Return on Equity of the Company for last three years -

Year	% of ROE (Standalone Basis)
2025-26	1.81
2024-25	8.23
2023-24	12.12

Details of revision of financial statement or the Board's Report:

During the financial year under review, no revision of the Financial Statements or the Board's Report was made pursuant to the provisions of Sections 130 and 131 of the Companies Act, 2013.

Director Knowledge Session:

During the year under review, the Company conducted knowledge and familiarisation sessions for the Directors on various topics, including the future economic outlook of the automobile industry, legal and regulatory developments, industry trends, and matters relating to business operations, governance, and skill enhancement.

Compliance with Maternity Benefit Act, 1961

The Company is compliant with the applicable provisions of the Maternity Benefit Act, 1961 and has policies, systems and processes in place to ensure ongoing compliance.

29. ADDITIONAL DISCLOSURES UNDER LISTING REGULATIONS

Statement of Deviation or Variation

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, there was no deviation or variation in the utilisation of proceeds raised through the preferential issue of securities, including Optionally Convertible Cumulative Preference Shares (OCCPS), or any other securities, during the financial year under review.

Management Discussion and Analysis Report:

The Management Discussion and Analysis Report, as stipulated under Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, forms an integral part of this Annual Report.

Corporate Governance Report:

Your Directors reaffirm their commitment to maintaining the highest standards of corporate governance and believe that sound governance practices are fundamental to enhancing stakeholder value and achieving sustainable business growth.

Pursuant to Regulation 34 read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate section on Corporate Governance, together with the Management Discussion and Analysis Report, forms an integral part of this Annual Report.

The requisite certificate confirming compliance with the conditions of Corporate Governance, as prescribed under Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, issued by M/s. Pawan Jain & Associates., Chartered Accountants, Statutory Auditors of the Company, is annexed to the Corporate Governance Report.

Suspension of Trading:

The equity shares of the Company continued to remain listed and were actively traded on the Stock Exchanges throughout the financial year under review. The trading in the Company's securities was not suspended at any time during the year.

30. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (BRSR)

The provisions relating to the Business Responsibility and Sustainability Report ("BRSR") under Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are not applicable to the Company, as the Company does not fall within the top 1,000 listed entities based on market capitalisation as on December 31, 2025. Accordingly, the Company has not included the BRSR in this Annual Report.

31. CONVERSION OF WARRANTS

Up to March 31, 2026, 42,69,591 warrants of Promoter Group were converted into an equivalent number of Equity Shares of the Company. The Equity Shares so allotted on March 11, 2029 were pending listing/trading approval as at March 31, 2026.

Further, till March 31, 2026, 4,00,000 warrants held by the non-Promoter Group were converted into an equivalent number of Equity Shares of the Company. Accordingly, the warrants allotted to the non-Promoter Group have been fully converted into Equity Shares.

As at March 31, 2026, 50,87,134 warrants remained outstanding, held by the Promoter and Promoter Group. The outstanding warrants are convertible into an equivalent number of Equity Shares of the Company, subject to the terms and conditions of the issue and applicable laws and regulatory approvals.

The details of the outstanding warrants as at March 31, 2026 are as follows:

Name of Warrant Holder	No. of Warrants Converted till March 31, 2026	Balance No. of Warrants Outstanding as on March 31, 2026
Jayashree Firodia Trust	21,46,791	20,23,266
Arun Firodia Trust	19,72,800	18,50,000
Arun Hastimal Firodia	1,50,000	12,13,868

32. CAUTIONARY STATEMENT

Statements in the Board's Report and the Management Discussion & Analysis Report describing the Company's objectives, expectations or forecasts may be forward-looking within the meaning

of applicable laws and regulations. Actual results may differ from those expressed in the statements.

33. ACKNOWLEDGEMENT

Your Directors wish to convey their gratitude and place on record their appreciation for all the employees at all levels for their hard work, solidarity, cooperation and dedication during the year.

Your Directors sincerely convey their appreciation to customers, shareholders, vendors, bankers, business associates, regulatory and government authorities for their continued support.

By Order of the Board of Directors
For Kinetic Engineering Limited

Date: August 03, 2026
Place: Pune

Sd/-
Arun Hastimal Firodia
Chairman
(DIN: 00057324)

Annexure I

Conservation Of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

[Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014]

A.) Conservation of Energy:

1. Details of steps taken during previous year for conserving electrical energy:

Sr. No.	Point Details	Saving	Saving Amount (In Rs.)
1	Maximum demand control against sanction of 2500 KVA	4008 KVA	24.048
2	Ideal machine cut off by introducing timers	7260 KWH	0.630
3	Energy efficient tube light to be replacing 250 W Mercury fittings	17280 KWH	1.500
4	Maintaining power factor throughout year	0.948	-
5	We start solar plant (16/2/22) and generate unit	1620685 KWH	54.2929475
6	Solar Generation for next year projected approx	2800000 KWH	236.32
7	Switch off Lights, Fan, Machines, Air Valves when not required	6105	Done
6	Oil Leakage Arrest	1	1
8	Air Leakage to be stopped and Fixing Air Gun as per requirement	19630	2.55
9	Daily Shopwise, Cell wise Energy Audit and Record	Done	-

2. Steps taken by the Company for utilizing alternative sources of energy: The Company has taken initiatives towards the adoption of renewable energy by utilizing solar energy at its facilities. The installation and use of solar power systems help reduce dependence on conventional sources of electricity, lower carbon emissions, and promote energy efficiency. This initiative reflects the Company's commitment towards environmental sustainability, conservation of natural resources, and responsible business practices. The Company will continue to explore opportunities to enhance the use of clean and renewable energy sources wherever feasible.

3. Capital Investment in energy conservation: Nil

B.) Technology Absorption:

1. The efforts made towards technology absorption:

- Production of Ev Scooter frames ramped up.
- Production of EV Panels ramped up.
- More customers approached for Ev gear boxes with their desired ratios,
- Gear box assembly testing improved with vision camera for model confirmation,
- Gearboxes improved for shift quality through changes in shifter sleeve,
- Torque controlled guns for gear box assembly line,
- New Auto Gauging installed for gear box critical part inspection,
- New CNC gear roll testing installed,
- New laser marking with QR code feasibility installed,

- New type spectrometer installed,
- Introduction of new spot welding setup for panels commissioned and production started,
- New paints developed for scooter panels,
- Introduction of seat check Pokayoka for pointing machine
- Induction hardening of Gear box parts insourcing with new machine

2. Benefits derived as a result of the above efforts:

- Use of solar power with green energy to minimize pollution and reduction in operational cost.
- Use of electric heating against oil/ diesel to reduce pollution, and cost saving for new technology
- Best in class quality for customers by induction of Auto gauging,
- Increased business from Ev market which is the future of automobiles
- Improvement in gear box assembly, testing and machine shop helps to ensure Zero defect in products,
- New technology in welding ensures defect free products with desired volumes,

3. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) - Nil

4. The expenditure incurred on Research and Development: ₹393 Lakhs (Previous Year ₹200 Lakhs)

C.) Foreign Exchange Earnings and Outgo:

The Company continues to strive to improve its export earnings. The information on foreign exchange earnings and outgo for the year under review are as under:

S. N.	Particulars	INR in Lakhs
1	Total foreign exchange earned in terms of actual inflows	5629.83
2	Total foreign exchange outgo in terms of actual outflows	9.55

By Order of the Board of Directors
For Kinetic Engineering Limited

Date: August 03, 2026
Place: Pune

Sd/-
Arun Hastimal Firodia
Chairman
(DIN: 00057324)

Annexure II

FORM AOC – 2

Details of Related Party Transaction

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

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

1.	Details of contracts or arrangements or transactions not at arm's length basis:		
	(a)	Name(s) of the related party and nature of relationship	There were no transactions or arrangements which were not at arm's length, and which were not in the ordinary course of business during financial year 2025-26.
	(b)	Nature of contracts/arrangements/transactions	
	(c)	Duration of the contracts/arrangements/transactions	
	(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	
	(e)	Justification for entering into such contracts or arrangements or transactions	
	(f)	Date of approval by the Board	
	(g)	Amount paid as advances, if any:	
	(h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	
2.	Details of material contracts or arrangement or transactions at arm's length basis:		
	(a)	Name(s) of the related party and nature of relationship	There were no material (exceeding 10% of consolidated turnover) contracts or arrangements or transactions entered into during the year ended March 31, 2026.
	(b)	Nature of contracts/arrangements/transactions	
	(c)	Duration of the contracts/arrangements/transactions	
	(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	
	(e)	Date of approval by the Board	
	(f)	Amount paid as advances, if any:	

By Order of the Board of Directors
For **Kinetic Engineering Limited**

Sd/-

Arun Hastimal Firodia
Chairman
(DIN: 00057324)

Date: August 03, 2026
Place: Pune

Annexure - III

FORM AOC-1

Statement containing salient features of the Financial Statement of Subsidiaries or Associate Companies or Joint Ventures

(Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of Companies (Accounts) Rules, 2014)

Part A Subsidiaries

1.	Name of the Subsidiary	Kinetic Watts And Volts Limited
2.	Reporting period for the subsidiary concerned, if different from the holding Company's reporting period	April 01, 2025 to March 31, 2026
3.	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	Reporting Currency – Indian Rupees
Financial Details as on March 31, 2026		Amount in Rs. In Lakhs
4.	Paid Up Share Capital	8483.60
5.	Reserves & Surplus	(222.67)
6.	Total Assets	9341.71
7.	Total Liabilities	9341.71
8.	Investments	0
9.	Turnover	788.95
10.	Profit before taxation	(143.63)
11.	Provision for taxation	0
12.	Profit after taxation	(143.63)
13.	Proposed Dividend	0
14.	% of Shareholding	82.89

Notes:

- Names of subsidiaries which are yet to commence operations - Nil
- Names of subsidiaries which have been liquidated or sold during the year – Nil

Part B of the Annexure is not applicable as there are no Associate Companies / Joint Ventures of the Company as on March 31, 2026.

By Order of the Board of Directors
For **Kinetic Engineering Limited**

Sd/-

Arun Hastimal Firodia
Chairman
(DIN: 00057324)

Date: August 03, 2026
Place: Pune

Annexure - IV

NOMINATION AND REMUNERATION POLICY

1. PREAMBLE

The Vision statement of the Company itself is "To give better life to our people". Monetary compensation has always been one of the motivational aspect of every employee in every industry. It is the endeavour of the Company to follow the best trade practices and to pay appropriate remuneration to the Directors, KMP's and all the employees of the Company. The Company strives that its Nomination and Remuneration policy should attract, motivate and retain its manpower and provide a better work environment. Considering all these factors this Nomination and Remuneration Policy is being formulated in compliance with Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. This policy on Nomination and Remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee (NRC or the Committee) and has been approved by the Board of Directors.

2. OBJECTIVE

The Nomination and Remuneration Policy shall be in compliance with Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. The objective of this policy is to lay down a framework in relation to remuneration of Directors, KMP, Senior Management Personnel and other Employees. The Key Objectives of the policy would be:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of independent directors and the Board;
- Devising a policy on Board diversity; and
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
- Performing such other activities as may be delegated by the Board of Directors and/ or are statutorily prescribed under any law to be attended to by the Nomination and Remuneration Committee.

Further the Nomination and Remuneration Committee shall have the authority to investigate into any matter in relation to the items specified under the terms of reference or such other matter as may be referred to it by the Board and for this purpose, shall have full access to information contained in the records of the Company and shall have power to obtain external professional advice, if necessary.

3. CONSTITUTION OF THE NOMINATION AND REMUNERATION COMMITTEE

The Board of Directors of the Company shall constitute the Nomination and Remuneration Committee as in line with the requirements of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. The Chairman of the Committee shall be an Independent Director. However, the chairperson of the Company (whether executive or nonexecutive) may be appointed as a member of the Nomination and

Remuneration Committee but shall not chair such Committee. The Board has the authority to reconstitute the committee from time to time.

4. DEFINITIONS

"Regulations" means SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

"Act" means the Companies Act, 2013 and Rules framed thereunder, as amended from time to time. **"Board"** means Board of Directors of the Company.

"Directors" mean Directors of the Company. **"Company"** means Kinetic Engineering Limited.

"Independent Director" means a Director as specified in Section 149(6) of the Companies Act, 2013 and Regulation 16(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

"Key Managerial Personnel" means Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole-Time Director; Chief Financial Officer; Company Secretary; and Such other officer, not more than one level below the directors who is in whole time employment and designated as KMP by the Board.

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 and, as may be amended from time to time, shall have the meaning respectively assigned to them therein.

5. APPOINTMENT CRITERIA AND QUALIFICATIONS

- The appointment of Director, KMP or at Senior Management level should be identified and ascertained based on the integrity, qualification, expertise and experience of the personnel.
- A person should possess adequate qualification, expertise and experience for the position he/she is considered for appointment. The Committee has discretion to decide whether the qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
- The Company shall not appoint or continue the employment of any person as Whole- Time Director who has attained the age of seventyfive years. Provided that the term of the person holding this position may be extended beyond the age of seventy-five years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.
- A whole-time KMP of the Company shall not hold office in more than one company except in its subsidiary company at the same time. However, a whole-time KMP can be appointed as Director in any company, with the permission of the Board of Directors of the Company.

6. TERM/TENURE

Managing Director/Whole-Time Director: The Company shall not appoint or reappoint any person as Managing Director or Whole- Time Director for a term not exceeding 5 years. No reappointment shall be made earlier than one year before the expiry of the term.

Independent Director: An Independent Director shall hold office for a term, up to five consecutive years on the Board of the Company and will be eligible for reappointment on passing of a special resolution by the Company. No Independent Director shall hold office for more than two consecutive terms of up to maximum of 5 years each, but such Independent

Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

7. REMOVAL

Due to reasons for any disqualifications mentioned in the Act or under any other applicable Act, rules and regulations thereunder, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

8. RETIREMENT

The Whole-Time Directors, KMP, and senior management personnel shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing HRD policy of the Company. The Board will have the discretion to retain the Whole- Time Directors, KMP and senior management personnel in the same position/ remuneration or otherwise, even after attaining the retirement age, for the benefit of the company after necessary compliance of the Laws as applicable to the Company.

9. PROVISIONS FOR REMUNERATION TO DIRECTORS/KMP/SENIOR MANAGEMENT PERSONNEL

- The Remuneration/ Compensation/ Commission etc. to be paid to Director/ Managing director etc. shall be in line with the provisions of the Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force.
- The remuneration/ compensation/ commission to the Non-Executive Independent Director shall be as per the provisions of the Companies Act, 2013. The amount of sitting fees shall be subject to limits as provided under the Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force.
- Apart from the Directors, KMPs and Senior Management Personnel, the remuneration for rest of the employees is determined on the basis of the role and position of the individual employee, including professional experience, expertise and job complexity.
- The various remuneration components, basic salary, allowances, perquisites etc. may be combined to ensure an appropriate and balanced remuneration package.

Annexure V

Information pursuant to Section 197(12) of Companies Act, 2013 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. The ratio of the remuneration of each Director and Key Managerial Personnel (KMP) to the median remuneration of the employees of the Company for the financial year ended March 31, 2026.

Name	Designation	Ratio of remuneration to the median remuneration of employees	% increase in the financial year
Arun Hastimal Firodia	Chairman Non-Executive Director	NA*	NA*
Jayashree Arun Firodia	Non-Executive Director	NA*	NA*
Ajinkya Arun Firodia	Managing Director	47.12	11.79%
Achal Shirish Kotecha	Independent Director	NA*	NA*
Jinendra Hirachand Munot	Independent Director	NA*	NA*
Venkataiah Madipalli	Independent Director	NA*	NA*
Dattatray Parvati Navale	Independent Director	NA*	NA*
Rohit Prakash Bafana	Independent Director	NA*	NA*
Vinayak Jayaram Shevade	Chief Financial Officer	22.50	4.90%
Chaitanya Mundra	Company Secretary	7.72	9.97%
Sashikant Shivanand Gulve**	Non-Executive Non-Independent Director	6.79	-
Rajesh Dhongade***	Chief Operating Officer	4.53	-

*Non-Executive Non-Independent Directors & Independent Directors were in receipt of sitting fees only. They do not draw any remuneration from the Company

**Shahikant Shivanand Gulve was appointed as a Non-executive Non-Independent Director of the Company by the Board with effect from July 28, 2025 and subsequently Members regularised him on September 30, 2025.

*** Rajesh Dhongade was appointed as an Chief Operating Officer of the Company by the Board with effect from February 04, 2026.

2. The median remuneration of the employees of the Company during the financial year ended March 31, 2026 was ₹ 2,40,000 /-

3. The percentage increase in the median remuneration of employees in the financial year was: Not Applicable

4. The number of permanent employees on the rolls of the Company: 547

5. Average percentile increase already made in the salaries of the employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: Not Applicable

6. We confirm that the remuneration is as per the remuneration policy recommended by the Nomination and Remuneration Committee of the Company and adopted by the Company.

By Order of the Board of Directors
For **Kinetic Engineering Limited**

Sd/-
Arun Hastimal Firodia
Chairman
(DIN: 00057324)

Date: August 03, 2026
Place: Pune

Annexure- VI

Form No. MR 3 **Secretarial Audit Report**

(For the Financial Year ended 31st March, 2026)

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

To,
The Members of
Kinetic Engineering Limited
D 1 Block, Plot No. 18/2,
Chinchwad, Pune - 411019

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Kinetic Engineering Limited** (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period ended on 31st March, 2026 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **Kinetic Engineering Limited ("The Company")** for the financial year ended on 31st March, 2026 according to the provisions of:

- i. The Companies Act, 2013 (**the Act**) and the Rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 (**'SCRA'**) and the Rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder as amended by Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
- iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (**'SEBI Act'**) to the extent applicable to the Company :-
 - a. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
 - b. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- e. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(Not applicable to the Company during the Audit Period)**
- f. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **(Not applicable to the Company during the Audit Period)**
- g. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 and the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the Audit Period)**
- h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **(Not applicable to the Company during the Audit Period)**
- i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not applicable to the Company during the Audit Period)**

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

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

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

1. As per Regulation 30(6) read with para A of Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the company is required to disclose the proceedings of Annual General Meeting within 12 hours from the event, however the said disclosure was made to the Stock exchange with a delay of 9.30 hours.
2. As per Regulation 47 (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Newspaper advertisement of quarterly financial results of the company is to be made within 48 hours of the conclusion of the meeting. However, the said results were published with a delay of 2 days.
3. As required under Section 405 of the Companies Act, 2013 and the Specified Companies (Furnishing of Information about Payment to Micro and Small Enterprise Suppliers) Order, 2019, the Company was obligated to file Form MSME-1 for the half-year ended 30 September 2025 by 31 October 2025, and for the half-year ended 31 March 2025 by 30 April 2025. However, the Company has not filed Form MSME-1 for both periods within the reporting period under audit.
4. It was observed that certain figures disclosed in the Audited Financial Results for the financial year ended 31st March, 2025, submitted to the Stock Exchange on 13th May,

2025 pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, were not in agreement with the corresponding figures appearing in the Audited Financial Statements forming part of the Annual Report for the said financial year. The differences were observed, inter alia, in Revenue from Operations, Other Expenses, Capital Work-in-Progress, Other Current Assets, Trade Payables and Other Current Liabilities in both the Standalone and Consolidated Financial Statements. However, there was no impact on the net profit/loss of the Company. The Management informed that the differences were due to regrouping / reclassification and presentation adjustments.

I further report that:

As on 31st March 2026, the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors and Woman Director. The composition of the Board of Directors during the period under review was in compliance with the provisions of the Act.

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

During the period under review, resolutions were carried out through majority decisions. As confirmed by the Management, there were no dissenting views expressed by any of the members on any business transacted at the Meetings held during the period under review.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period, following major events have happened in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.:

- (a) On 24th September, 2025, the Company had converted 4,00,000 (Four Lakhs only) Fully Convertible Warrants of an issue price of INR 171/-per warrant into 4,00,000 Equity Shares of the face value of INR 10.00 each (INR Ten Only) fully paid up at a Price of INR 171/- (INR One Hundred Seventy One only) including Premium of INR 161/- (INR One Hundred Sixty one only) per share.
- (b) On 11th March, 2026, the Company had converted 31,00,000 (Thirty One Lakh only) Fully Convertible Warrants of an issue price of INR 171/-per warrant into 31,00,000 Equity Shares of the face value of INR 10.00 each (INR Ten Only) fully paid up at a Price of INR 171/- (INR One Hundred Seventy One only) including Premium of INR 161/- (INR One Hundred Sixty one only) per share.

For Dinesh Birla & Associates
Company Secretaries

Sd/-
Dinesh Birla,
Proprietor

Date: August 03, 2026
Place: Pune

FCS: 7658, CP No. : 13029
PRC No. : 1668/2022
UDIN: F007658H001003941

Note: This report is to be read with our letter of even date, which is annexed as Annexure A and forms an integral part of this report.

Annexure - A

To
The Members of
Kinetic Engineering Limited
D 1 Block, Plot No. 18/2,
Chinchwad, Pune - 411019

Our Secretarial Audit report of even date is to be read together with this letter:

I further report that:

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

For Dinesh Birla & Associates

Company Secretaries

Sd/-

Dinesh Birla,

Proprietor

FCS: 7658, CP No. : 13029

PRC No. : 1668/2022

UDIN: F007658H001003941

Date: August 03, 2026

Place: Pune

Annexure - VII**Form No. MR 3****Secretarial Audit Report**

(For the year ended 31st March, 2026)

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

To,
The Board of Directors
Kinetic Watts and Volts Limited
D 1 Block, Plot No. 18/2,
Chinchwad, Pune – 411019

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Kinetic Watts and Volts Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period ended on 31st March, 2026 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Kinetic Watts and Volts Limited ("The Company") for the financial year ended on 31st March, 2026 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the Rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder; **(Not Applicable)**
- iii. The Depositories Act, 1996 and the Regulations and Byelaws framed thereunder as amended by Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018; **(Not Applicable)**
- iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company:-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **(Not Applicable)**

- b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; **(Not Applicable)**
- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended by The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not Applicable)**
- d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(Not applicable)**
- e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014. **(Not applicable)**
- f) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 **(Not applicable)**
- g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013 up to 15th August, 2021. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 with effect from 16th August, 2021; **(Not applicable)**
- h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; and **(Not applicable)**
- i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not applicable)**

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India
- ii. The Listing Agreements entered into by the Company with National Stock Exchange of India Limited and BSE Limited read with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. (Not Applicable)

I further report that:

As on 31st March 2026 the Board of Directors of the Company is duly constituted. There were no changes in the composition of the Board of Directors during the period under review.

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

During the period under review, resolutions were carried out through majority decisions. As confirmed by the Management, there were no dissenting views expressed by any of

the members on any business transacted at the Meetings held during the period under review.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, following major events have happened in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.:

- The Company has increased its Authorized Capital from Rs. 50 Crore to Rs. 75 Crore in its Extra-Ordinary General Meeting held on May 07, 2025. And from Rs. 75 Crore to Rs. 125 Crore in its Extra-Ordinary General Meeting held on March 04, 2026.
- The Company had issued and allotted total 4,70,00,000 Equity Shares of the face value of Rs. 10.00 each at par to its existing shareholders through right issue in six tranches as under:
 - 50,00,000 (Fifty Lakhs) Equity Shares on April 09, 2025;
 - 1,00,00,000 (One Crore) Equity Shares on May 24, 2025;
 - 1,00,00,000 (One Crore) Equity Shares on August 24, 2025;
 - 90,00,000 (Ninety Lakhs) Equity Shares on November 06, 2025;
 - 30,00,000 (Thirty Lakhs) Equity Shares on February 23, 2026;
 - 1,00,00,000 (One Crore) Equity Shares on March 31, 2026;

Considering the above said allotment of the Equity Shares, paid up capital of the Company stands increased to Rs. 84,83,60,000.

For Dinesh Birla & Associates
 Company Secretaries
Sd/-
Dinesh Birla,
 Proprietor
 FCS: 7658, CP No. : 13029
 PRC No. : 1668/2022
 UDIN: F007658H000994215

Date: July 31, 2026
Place: Pune

Note: This report is to be read with our letter of even date, which is annexed as Annexure A and forms an integral part of this report.

Annexure – A

To,
The Board of Directors
Kinetic Watts and Volts Limited
D 1 Block, Plot No. 18/2,
Chinchwad, Pune – 411019

Our Secretarial Audit report of even date is to be read together with this letter:

I further report that:

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes, as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed, provide a reasonable basis for my opinion.
3. Wherever required, I have obtained Management representation(s) about the compliance of Laws, Rules, regulations and happening of events etc.
4. The compliance of the provisions of corporate and other applicable Laws, Rules, Regulations, and Standards is the responsibility of the Management. My examination was limited to the verification of procedures on test basis.
5. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

For Dinesh Birla & Associates
Company Secretaries
Sd/-
Dinesh Birla,
Proprietor
FCS: 7658, CP No. : 13029
PRC No. : 1668/2022
UDIN: F007658H000994215

Date: July 31, 2026
Place: Pune

MANAGEMENT DISCUSSION AND ANALYSIS

Global economic review

Overview

The global economy remained resilient during FY 2025-26, although the operating environment continued to be shaped by geopolitical tensions, trade fragmentation, uneven monetary policy normalisation, supply-chain realignments and uncertainty around energy and commodity prices. Growth remained more resilient than initially expected, but the recovery continued to differ across regions and sectors. Manufacturing activity remained under pressure in several mature markets, while services and selected emerging markets provided support to global activity.

The global automotive industry entered 2025 on a cautious footing and subsequently recorded a recovery in overall vehicle production and sales. According to the International Organization of Motor Vehicle Manufacturers (OICA), global vehicle production increased from 92.7 million units in 2024 to 96.4 million units in 2025, while global sales increased from 95.3 million units to 99.8 million units. Growth was increasingly concentrated in Asia, while several developed markets continued to experience muted demand and policy uncertainty.

The automotive sector continued to undergo structural changes driven by electrification, connected technologies, advanced driver assistance systems, software-defined vehicles, manufacturing automation and evolving emissions and safety regulations. These trends are reshaping component demand and creating opportunities for manufacturers that can combine engineering capability, quality, cost competitiveness and speed of product development.

At the same time, the global industry faced challenges arising from tariff and trade-policy changes, logistics disruptions, volatile raw-material prices, foreign exchange movements and varying pace of electric-vehicle adoption across geographies. The ability of automotive suppliers to maintain resilient supply chains, manage costs and adapt product portfolios remains critical.

Sources: OICA

Global automotive industry – key themes

- Demand recovery remained uneven across regions, with Asia continuing to account for a significant share of global vehicle production and sales.
- Electrification continued to influence investment decisions, product development and supply-chain strategies, although the pace of EV adoption differed materially by market.
- Connected vehicle technologies, software integration, advanced safety systems and automation continued to increase the technology content of vehicles.
- OEMs and suppliers continued to focus on localisation, supply-chain resilience, dual sourcing and cost optimisation.
- Geopolitical developments, trade barriers, freight costs and commodity prices remained important variables for the automotive value chain.

Outlook

The global automotive outlook remains constructive over the medium term, supported by replacement demand, urbanisation, rising mobility needs, technology-led product development and increasing adoption of cleaner mobility solutions. However, the sector is expected to remain highly competitive and sensitive to macroeconomic conditions. For component manufacturers, opportunities are likely to arise from higher content per vehicle, localisation, new product introductions, EV and hybrid platforms, advanced precision components and greater participation in global supply chains.

Indian economic review

Overview

The Indian economy continued to demonstrate strong resilience during FY 2025-26 despite a challenging global environment. According to the provisional estimates released by the Ministry of Statistics and Programme Implementation (MoSPI) in June 2026, India's real GDP is estimated to have grown by 7.7% in FY 2025-26, compared with 7.1% in FY 2024-25. Real GVA is estimated to have grown by 7.9% during the year.

The economy benefited from sustained domestic demand, improving investment activity, resilient services, a strengthening manufacturing base and continued public infrastructure expenditure. Private consumption remained an important growth driver, while investment in infrastructure and productive capacity continued to support economic activity.

The manufacturing environment improved during the year. The provisional national accounts indicate continued growth in the secondary sector, while higher steel consumption, cement production, vehicle registrations and machinery imports reflected healthy investment and mobility-related activity. The automotive and engineering sectors therefore operated against a relatively supportive domestic demand backdrop.

India's external environment remained influenced by global trade developments, commodity prices, exchange-rate movements and geopolitical risks. For export-oriented businesses, changes in shipping routes, freight costs and customer demand across international markets remained important considerations.

Source: Ministry of Statistics & Programme Implementation (MoSPI), Provisional Estimates of Annual GDP for FY 2025-26, 5 June 2026.

Key indicators

Indicator	FY 2025-26	FY 2024-25
Real GDP growth	7.7%	7.1%
Real GVA growth	7.9%	7.3%

Growth drivers

- Strong domestic consumption supported demand across consumer and mobility-linked sectors.
- Public and private investment continued to support infrastructure, manufacturing and capacity creation.

- Improved vehicle registrations and industrial indicators supported the broader automotive ecosystem.
- Technology adoption, localisation and supply-chain diversification continued to strengthen India's role in global manufacturing.
- Improving financial-sector health and the transmission of lower interest rates supported financing conditions and business confidence.

Outlook

India is expected to remain among the fastest-growing major economies. The medium-term outlook is supported by domestic consumption, investment, infrastructure development, manufacturing expansion, formalisation of the economy and technology adoption. Risks include global trade fragmentation, geopolitical tensions, energy and commodity-price volatility, currency movements and external demand conditions.

Source: MoSPI; Ministry of Finance / Economic Survey 2025-26 and Budget 2026-27.

Global automotive industry overview

The global automotive industry is in the midst of a structural transformation. Traditional internal-combustion-engine platforms continue to represent a substantial part of the installed vehicle base, while electric, hybrid and other low-emission technologies are expanding. At the same time, connected vehicles, software, advanced safety systems, automation and data-led manufacturing are changing the economics and technology architecture of the sector.

OICA reported that global vehicle production increased to 96.4 million units in 2025 from 92.7 million units in 2024, while global sales increased to 99.8 million units from 95.3 million units. The growth was not uniform across regions, with Asia accounting for a significant portion of the increase.

Source: International Organization of Motor Vehicle Manufacturers (OICA), April 2026.

Key growth drivers

Electrification and clean mobility:

The transition towards lower-emission mobility continues to create demand for batteries, electric motors, power electronics, thermal management, lightweight structures, connectors and other specialised components. The pace of adoption varies across vehicle categories and geographies, making technology flexibility important for suppliers.

Connected and digital technologies:

Connected features, telematics, software integration, over-the-air updates and digital manufacturing are increasing the technology content of vehicles and creating opportunities for suppliers with engineering, electronics and software capabilities.

Advanced safety and driver assistance:

Stricter safety requirements and increasing consumer expectations are encouraging OEMs to adopt advanced braking, sensing, stability, driver-assistance and occupant-protection systems.

Supply-chain localisation and resilience:

OEMs are increasingly seeking resilient, cost-effective and geographically diversified supply chains. This trend supports opportunities for Indian component manufacturers that can deliver quality, reliability and competitive total cost.

Emerging-market demand:

Rising incomes, urbanisation and expanding vehicle ownership in emerging markets are expected to support long-term demand for personal and commercial mobility.

Key challenges

- Trade restrictions, tariff changes and geopolitical developments can affect customer programmes, sourcing decisions and export economics.
- Raw-material and energy-price volatility can place pressure on margins and working capital.
- Rapid technology shifts may require continuous investment in product development and manufacturing capabilities.
- The transition to EVs can change the mix of components required by OEMs and alter established supply relationships.
- High customer expectations on quality, delivery, cost and sustainability continue to raise competitive intensity.

Outlook

The global automotive industry is expected to continue evolving towards a more diversified technology landscape. For auto-component manufacturers, long-term opportunities will be driven by localisation, product complexity, higher value addition, EV and hybrid applications, advanced manufacturing and access to global OEM supply chains.

Global electric vehicle industry overview

Electric mobility continued to gain strategic importance during FY 2025-26. The global EV ecosystem is being shaped by improvements in battery technology, charging infrastructure, vehicle affordability, regulatory targets and investments by OEMs and suppliers. The transition is, however, progressing at different speeds across regions and vehicle categories.

The International Energy Agency's Global EV Outlook highlights the continuing expansion of electric mobility and the growing importance of batteries, charging infrastructure, manufacturing capacity and policy support. For component suppliers, the transition creates opportunities in high-voltage systems, electric powertrain components, thermal management, lightweight structures, connectors, electronics and related engineering solutions.

Source: International Energy Agency, Global EV Outlook 2025.

Key drivers

- Improving battery energy density, charging performance and cost competitiveness.

- Government policies and emissions targets supporting cleaner mobility.
- Expansion of charging infrastructure across urban, semi-urban and highway networks.
- Increasing availability of EV models across passenger, two-wheeler, three-wheeler and commercial vehicle categories.
- Growing investment in localisation of EV components and manufacturing capabilities.

Implications for auto-component manufacturers

The EV transition is expected to alter the component mix of vehicles rather than simply reduce the addressable market for suppliers. Manufacturers with established machining, forging, casting, transmission, drivetrain, chassis and precision-engineering capabilities can leverage their engineering base to develop adjacent products for electric and hybrid platforms. The ability to balance existing ICE-related programmes with emerging EV opportunities is likely to remain important during the transition period.

Indian automotive industry overview

The Indian automotive industry remained a key contributor to manufacturing, employment, exports and technological development during FY 2025-26. The sector benefited from improved consumer affordability, lower financing costs, tax and policy measures, replacement demand and a strong second half of the financial year.

According to the Society of Indian Automobile Manufacturers (SIAM), FY 2025-26 was a landmark year for the Indian automobile industry. Passenger vehicle sales reached 46.43 lakh units, growing 7.9%; commercial vehicle sales reached 10.80 lakh units, growing 12.6%; three-wheeler sales reached 8.36 lakh units, growing 12.8%; and two-wheeler sales reached 2.17 crore units, growing 10.7%. Each major vehicle category recorded its highest-ever financial-year sales.

The second half of FY 2025-26 recorded a strong recovery, supported by improved affordability following GST rate changes, personal income-tax relief, lower financing costs and stronger consumer sentiment. The industry also benefited from increased electric-vehicle adoption and continued model launches.

Source: Society of Indian Automobile Manufacturers (SIAM), FY 2025-26 industry performance, 14 April 2026.

FY 2025-26 domestic sales

Vehicle segment	FY 2025-26 sales	Growth
Passenger vehicles	46.43 lakh	7.9%
Commercial vehicles	10.80 lakh	12.6%
Three-wheelers	8.36 lakh	12.8%
Two-wheelers	2.17 crore	10.7%

Key trends

- Passenger-vehicle demand continued to shift towards utility vehicles and higher-value variants.
- Two-wheeler demand benefited from improved rural and semi-urban conditions, affordability and financing.

- Commercial-vehicle demand was supported by replacement demand, infrastructure activity and higher economic activity.
- Three-wheeler demand improved materially, supported by urban mobility and goods movement.
- Exports remained an important growth lever, with manufacturers continuing to diversify their geographical markets.

Outlook

The outlook for FY 2026-27 remains cautiously optimistic. SIAM expects the positive momentum from the second half of FY 2025-26 to continue across vehicle categories. However, the industry will need to monitor geopolitical developments, crude oil and commodity prices, exchange rates, shipping routes and supply-chain conditions.

Indian auto-components industry overview

The Indian auto-components industry is an important part of the country's manufacturing ecosystem and a key enabler of vehicle production, exports and technological advancement. The sector spans powertrain, transmission, engine, chassis, suspension, braking, electrical, electronic and increasingly EV-specific components.

The industry continued to benefit from rising vehicle production, localisation, exports, increasing vehicle complexity and the growing replacement and aftermarket opportunity. According to ACMA, the Indian auto-component industry recorded turnover of USD 80.2 billion in FY2024-25, representing growth of 9.6%. OEM supplies increased 10%, exports increased 8% to USD 22.9 billion and the domestic aftermarket increased 6% to USD 11.8 billion.

The sector is increasingly moving towards higher-value engineering, technology-led manufacturing and global supply-chain integration. Product development for EVs and hybrids, lightweighting, electronics, advanced machining, automation and sustainability are expected to remain key areas of investment.

Source: Automotive Component Manufacturers Association of India (ACMA), FY2024-25 industry performance.

Key growth drivers

Growth in vehicle production:

Higher vehicle volumes across passenger, commercial, two-wheeler and three-wheeler segments support demand for a broad range of components and assemblies.

Shift towards EVs and hybrid vehicles:

The changing powertrain landscape is creating new component categories while also requiring existing suppliers to diversify their product portfolios.

Localisation and supply-chain diversification:

OEMs are increasingly seeking local, reliable and cost-competitive suppliers, creating opportunities for Indian component manufacturers with strong quality and engineering capabilities.

Exports and global sourcing:

India's cost competitiveness, engineering talent and manufacturing ecosystem support its emergence as a preferred sourcing destination.

Aftermarket growth:

A growing and ageing vehicle population, formalisation of repair services and wider distribution channels continue to support the aftermarket.

Technology and automation:

CNC machining, robotics, digital quality systems, Industry 4.0, additive manufacturing and data analytics can improve productivity, consistency and traceability.

Government and policy environment

- Production Linked Incentive programmes continue to support investment in advanced automotive technologies and localisation.
- Policies promoting electric mobility and domestic manufacturing support the development of EV-related supply chains.
- Make in India and Atmanirbhar Bharat continue to encourage domestic manufacturing and supply-chain development.
- Vehicle scrappage and emissions-related measures can support replacement demand and technology upgrades over the medium term.
- State-level industrial policies can provide incentives for capacity creation, employment and manufacturing investments.

Opportunities

- Rising domestic vehicle production provides a broad demand base across two-wheelers, three-wheelers, passenger vehicles and commercial vehicles.
- The shift towards electric and hybrid mobility creates opportunities to diversify into EV-compatible drivetrain, transmission, precision-machined and lightweight components.
- Increasing localisation by OEMs creates opportunities for domestic suppliers with strong engineering, quality and delivery capabilities.
- Growing exports can provide access to new customers and help diversify geographical concentration.
- Automation, robotics, digital manufacturing and process optimisation can improve productivity and enable higher-value products.
- The ageing vehicle parc and expansion of organised service networks support the automotive aftermarket.
- Engineering partnerships and co-development with OEMs can increase value addition and improve programme visibility.

Threats

- Volatility in steel, aluminium, energy and other input costs may put pressure on margins and working capital.

- Customer concentration and dependence on specific platforms can expose suppliers to programme and volume fluctuations.
- Rapid changes in drivetrain technologies may reduce demand for certain legacy components and require accelerated product development.
- Geopolitical tensions, trade barriers and shipping disruptions may affect exports, imported inputs and customer supply chains.
- Foreign exchange movements can affect the economics of export and import transactions.
- Shortages of skilled manpower and rising labour costs may affect productivity and execution.
- Increasing customer requirements relating to quality, traceability, cybersecurity, sustainability and delivery can increase compliance and investment costs.

Outlook

The Company remains cautiously optimistic about the medium-term prospects of the automotive components industry. The combination of strong domestic vehicle demand, increasing localisation, export opportunities, technology transition and the growing need for precision-engineered components provides a favourable platform for sustainable growth. The Company will continue to focus on customer engagement, product diversification, operational efficiency, cost management and technology readiness while maintaining disciplined capital allocation.

Company overview

Kinetic Engineering Limited ('KEL' or 'the Company') is an established Indian automotive component manufacturer with a long-standing presence in the automotive industry. The Company has evolved from its historical two-wheeler manufacturing roots into a focused engineering enterprise serving the automotive components market.

The Company's core capabilities include transmission assemblies, engine and chassis components, drivetrain parts and precision-engineered components for two-wheelers, three-wheelers and commercial vehicles. The Company leverages its engineering, tooling, machining and manufacturing capabilities to serve leading OEMs and customers in India and select international markets.

The Company continues to strengthen its manufacturing capabilities and customer relationships while exploring opportunities arising from new mobility, electrification, localisation and higher-value engineering. Its focus remains on quality, reliability, cost competitiveness, delivery performance and long-term customer partnerships.

During FY 2025-26, the Company continued to pursue opportunities for new programmes and customers, while focusing on operational efficiency, cost optimisation, product development and strengthening its position in the automotive components value chain.

Company overview updated from the previous-year Management Discussion and Analysis and current business positioning; management to confirm final FY2025-26 developments before publication.

Strategic priorities

- Expand and deepen relationships with existing OEM customers and develop new strategic customer programmes.
- Increase participation in higher-value and precision-engineered component applications.
- Build capabilities relevant to electric and hybrid mobility while continuing to support existing ICE platforms.
- Improve manufacturing productivity, quality, capacity utilisation and cost competitiveness.
- Increase opportunities in exports and diversify customer and geographical exposure.
- Strengthen engineering, tooling and product-development capabilities.

Financial analysis – FY 2025-26

The financial performance of the Company for FY 2025-26 should be read together with the audited financial statements and the notes forming part thereof.

Balance Sheet

Particulars (Rs. in lakhs)	FY 2025-26	FY 2024-25
Borrowings	7,058	6,035
Total non-current assets	14,183	9,248
Net worth	15,086	10,361
Total assets	27,025	21,969
Inventories	6,081	5,409

Profit & Loss statement

Particulars (Rs. in lakhs)	FY 2025-26	FY 2024-25
Revenue	15,830	15,497
EBITDA	1,395	1,813
Depreciation and amortisation	507	669

Working capital management

Current assets as on March 31, 2026 stood at ₹16,040 lakhs compared to ₹13,486 lakhs as on March 31, 2025. Current ratio as on March 31, 2026 stood at 2.03 compared to 1.83 as on March 31, 2025. Inventories increased from ₹ 5,409 lakhs as on March 31, 2025 compared to ₹6,870 lakhs as on March 31, 2026. Current liabilities stood at ₹7,885 lakhs as on March 31, 2026 compared to ₹7,380 lakhs as on March 31, 2025. Cash and bank balances stood at ₹ 3,911 lakhs as on March 31, 2026 compared to ₹3,726 lakhs as on March 31, 2025.

The Company continued to focus on receivables discipline, inventory optimisation, supplier management and efficient utilisation of working capital.

Key ratios

Particulars	FY 2025-26	FY 2024-25	Reason for Change
Debtors Turnover	4.12	4.12	-
Inventory Turnover	1.37	1.47	-
Interest Coverage Ratio	2.40	3.70	Due to lower net profit
Current Ratio	1.84	1.80	-
Debt-equity ratio	0.28	0.27	-
Operating Profit Margin %	9.00	13.00	Due to lower net profit
Net Profit Margin %	1.54	4.73	Due to lower net profit.

Return on Net Worth as compared to previous year has goes down due to increase in Investment in Subsidiary.

Risk management

The Company operates in an industry exposed to cyclical demand, input-cost volatility, technological change, customer concentration, supply-chain disruptions and regulatory developments. The Company's risk management framework focuses on identifying material risks, assessing their potential impact, establishing mitigation measures and monitoring the effectiveness of controls.

Risk: Raw material price volatility

Mitigation: Maintain multiple supplier relationships, negotiate appropriate price pass-through mechanisms where feasible, explore longer-term sourcing arrangements and continuously monitor commodity trends. Cost engineering and productivity initiatives remain important to protect margins.

Risk: Customer concentration risk

Mitigation: Continue to diversify the customer base across OEMs, vehicle categories and export markets. Develop new products and programmes and deepen engagement with existing customers to improve programme visibility.

Risk: Technology obsolescence

Mitigation: Invest in engineering and product development for emerging technologies, including EV-compatible components. Maintain flexibility to serve both existing ICE platforms and new mobility applications during the transition period.

Risk: Regulatory and compliance risk

Mitigation: Monitor changes in automotive, environmental, labour, corporate and other applicable regulations. Maintain appropriate certifications, compliance processes, internal reviews and management oversight.

Risk: Supply-chain disruptions

Mitigation: Develop alternate sources, localise critical inputs where commercially viable, maintain appropriate inventory buffers and strengthen supplier monitoring and supply-chain visibility.

Risk: Cyclical automotive demand

Mitigation: Diversify across vehicle categories, customers and geographies, strengthen export opportunities and maintain a flexible cost structure to manage fluctuations in industry volumes.

Risk: Working capital and liquidity risk

Mitigation: Strengthen receivables collection, optimise inventory, align procurement with production requirements and maintain adequate banking and liquidity arrangements.

Risk: Manpower and skill gaps

Mitigation: Continue technical training, cross-skilling and upskilling programmes, strengthen succession planning and develop a pipeline of skilled manpower for precision engineering and automated manufacturing.

Risk: Foreign exchange risk

Mitigation: Monitor currency exposures, use appropriate hedging mechanisms where required and pursue natural hedging by balancing export receipts and import obligations.

Risk: Reputation, quality and ESG risk

Mitigation: Maintain high standards of product quality, workplace safety, governance and responsible business practices. Monitor customer requirements and stakeholder expectations relating to sustainability and ESG performance.

Human resource management

The Company recognises that people capability is central to manufacturing excellence, product quality, customer responsiveness and long-term competitiveness. The Company continues to foster a performance-oriented work culture focused on customer commitment, quality, operational discipline, innovation and continuous improvement.

During FY 2025-26, emphasis continued on employee engagement, technical capability development, workplace safety, training and upskilling. As manufacturing processes become more automated and technology-intensive, the Company remains focused on strengthening capabilities in precision engineering, machining, quality systems, maintenance, automation and digital tools.

The Company also continues to focus on attracting and retaining talent through structured responsibilities, learning opportunities, performance evaluation and employee-friendly practices. As on March 31, 2026, the total workforce stood at 547.

Internal control systems and their adequacy

The Company maintains internal control systems designed to support orderly and efficient conduct of operations, safeguard assets, ensure accuracy and completeness of accounting records, and facilitate timely preparation of reliable financial information. The control framework is aligned with the size, scale and nature of the Company's operations and is periodically reviewed for adequacy and effectiveness.

The Company's control environment includes appropriate authorisation mechanisms, segregation of duties, financial controls, operational controls, compliance monitoring, internal audit and management review processes. Periodic reviews are undertaken to identify control gaps and implement corrective measures.

The Audit Committee and the Board review significant findings and management actions relating to internal controls and risk management. The Company continues to strengthen process discipline, system-based controls, data integrity and operational oversight.

Overall outlook

The Company views the medium-term outlook for the Indian automotive components industry positively. Strong domestic vehicle demand, increasing localisation, the expansion of exports, the evolution of electric and hybrid mobility, and rising demand for precision-engineered components provide multiple avenues for growth.

The Company's strategy remains centred on strengthening customer relationships, winning new programmes, improving operational efficiency, developing products for evolving mobility platforms, expanding export opportunities and maintaining financial discipline. At the same time, management remains cognisant of risks relating to commodity prices, customer concentration, technology transition, geopolitics, foreign exchange and supply-chain disruptions.

The Company will continue to pursue sustainable growth by leveraging its engineering and manufacturing capabilities, improving productivity and quality, investing selectively in future-ready technologies and maintaining a resilient and responsive operating model.

Cautionary statement

This section contains statements about the Company's objectives, projections, expectations and estimates which may constitute 'forward-looking statements' within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed or implied due to several factors, including changes in economic conditions, automotive industry demand, competition, raw-material prices, foreign exchange rates, interest rates, regulatory developments, technological changes, supply-chain disruptions, geopolitical developments and other risks and uncertainties. The Company assumes no responsibility for publicly updating or revising any forward-looking statements, whether as a result of new information, future events or otherwise.

By Order of the Board of Directors
For **Kinetic Engineering Limited**

Date: August 03, 2026
Place: Pune

Sd/-
Arun Hastimal Firodia
Chairman
(DIN: 00057324)

REPORT ON CORPORATE GOVERNANCE

[Pursuant to Part C of Schedule V to the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015]

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

The Company's Corporate Governance framework is founded on the principles of transparency, accountability, integrity, fairness, and ethical business conduct. It reflects the Company's unwavering commitment to safeguarding the interests of all stakeholders while fostering sustainable value creation through responsible and prudent management practices.

The Company firmly believes that robust corporate governance is driven by an effective and independent Board of Directors, a clear distinction between oversight and executive management responsibilities, and a well-defined committee structure to oversee critical areas of governance. These principles are embedded across the Company's decision-making processes, risk management framework, performance evaluation mechanisms, and stakeholder engagement practices.

At Kinetic Engineering Limited, Corporate Governance extends beyond mere compliance with statutory and regulatory requirements. It embodies a culture of ethical leadership, intellectual integrity, and responsible business conduct that strengthens stakeholder confidence and supports the Company's long-term growth objectives.

The Company's governance philosophy is centred on protecting and promoting shareholders' rights, ensuring equitable treatment of all shareholders, and facilitating timely, transparent, and meaningful communication. The Company is committed to maintaining the highest standards of disclosure by providing accurate, comprehensive, and timely information on all material matters, including its financial performance, operational developments, ownership structure, and governance practices, thereby reinforcing stakeholder trust and confidence.

2. BOARD OF DIRECTORS:

We believe that our Board needs to have an appropriate mix of executive, non-executive and independent directors to maintain its independence, and separate its functions of governance and management. The SEBI (Listing Obligations and Disclosure Requirements) 2015 (hereby referred to as "Listing Regulations, 2015") mandate that for a Company with a Non-Executive Chairman, who is a promoter, at least fifty percent of the Board should comprise of independent Directors.

As on March 31, 2026 our Board comprised nine members, consisting of a one non-executive chairman, one executive director and seven non-executive directors where in five are independent directors. The composition of Board is in accordance with the requirements of Listing Regulations, 2015 & Companies Act, 2013.

All the directors possess the requisite qualifications and experience in corporate management and finance, banking and other allied fields enabling them to contribute effectively in their capacity as Directors of the Company.

All the independent directors of the Company furnish declaration annually that they qualify the conditions of their being independent. All such declarations are placed before the Board. Further all the Directors provide declarations annually that they have not been disqualified to act as Director under Section 164(2) of the Companies Act, 2013.

A. Composition and Category of Directors

Director Name	Category
Dr. Arun Hastimal Firodia	Promoter/ Chairman
Mrs. Jayashree Arun Firodia	Promoter/ Non-Executive Director
Mr. Ajinkya Arun Firodia	Promoter/ Executive Director (Managing Director)
Mr. Dattatray Parvati Navale	Independent Non-Executive Director
Mr. Achal Shirish Kotecha	Independent Non-Executive Director
Mr. Rohit Prakash Bafana	Independent Non-Executive Director
Mr. Venkataiah Madipalli*	Independent Non-Executive Director
Mr. Jinendra Hirachand Munot**	Independent Non-Executive Director
Mr. Shashikant Shivanand Gulve#	Non-Executive Non-Independent Director

* The Members of the Company, at the 54th Annual General Meeting, approved the re-appointment of Mr. Venkataiah Madipalli as a Non-Executive Independent Director for a second consecutive term of five years, commencing from February 10, 2026 and ending on February 09, 2031.

** The Members of the Company, at the 54th Annual General Meeting, approved the re-appointment of Mr. Jinendra Hirachand Munot as a Non-Executive Independent Director for a second consecutive term of five years, commencing from October 20, 2025 and ending on October 19, 2030.

The Members of the Company, at the 54th Annual General Meeting, approved the appointment of Mr. Shashikant Shivanand Gulve as a Non-Executive Non-Independent Director of the Company.

B. Attendance of Directors at Board Meetings and at the last Annual General Meeting:

The details of Attendance of Directors at the Board Meetings and at the last Annual General Meeting are as hereunder:

Name of the Director	Board meeting held during the tenure of the Director	Board Meeting Attended	Attendance at the last AGM held on September 30, 2025
Dr. Arun Hastimal Firodia	8	8	Yes
Mrs. Jayashree Arun Firodia	8	8	Yes
Mr. Ajinkya Arun Firodia	8	8	Yes
Mr. Shashikant Shivanand Gulve	4	4	No
Mr. Jinendra Hirachand Munot	8	6	Yes
Mr. Venkataiah Madipalli	8	8	Yes
Mr. Dattatray Parvati Navale	8	8	Yes
Mr. Achal Shirish Kotecha	8	7	Yes
Mr. Rohit Prakash Bafana	8	8	Yes

C. Number of other Board of Directors or Committees in which a Directors is a Member or Chairperson

Name of the Director	No. of other Directorships held including Private Companies*	Directorships held in Listed Companies #	No. of other Board Committees**	
			Chairman	Member
Dr. Arun Hastimal Firodia	5	Nil	-	-
Mrs. Jayashree Arun Firodia	5	Nil	-	-
Mr. Ajinkya Arun Firodia	7	Nil	-	-
Mr. Achal Shirish Kotecha	1	Nil	-	-
Mr. Rohit Prakash Bafana	5	Nil	-	2
Mr. Jinendra Hirachand Munot	3	Nil	-	-
Mr. Venkataiah Madipalli	-	Nil	-	-
Mr. Dattatray Parvati Navale	-	Nil	-	-
Mr. Shashikant Shivanand Gulve	-	Nil	-	-

* Excludes directorships in in Kinetic Engineering Limited.

** Committees considered in Public Limited Companies only excluding Kinetic Engineering Limited.

D. Number of Meetings of the Board of Directors held and dates on which held:

During the Financial Year 2025-26, agenda of the Board / Committee meeting(s) with proper explanatory notes to agenda was prepared and circulated well in advance to all the Board Committee members. The Board met Eight (8) times during the financial year 2025-26 viz. April 09, 2025, May 13, 2025, July 28, 2025, August 04, 2025, September 24, 2025, November 12, 2025, February 03, 2026 and March 11, 2026.

E. Disclosure of relationships between directors inter-se

- Mr. Ajinkya Arun Firodia, (Managing Director) on the Board is son of Dr. Arun Hastimal Firodia (Chairman) and Mrs. Jayashree Arun Firodia (Non-Executive Director).
- Mrs. Jayashree Arun Firodia (Non-Executive Director) on the Board is spouse of Dr. Arun Hastimal Firodia (Chairman) and mother of Mr. Ajinkya Arun Firodia, (Managing Director).
- Dr. Arun Hastimal Firodia (Chairman) on the Board is spouse of Mrs. Jayashree Arun Firodia (Non-Executive Director) and father of Mr. Ajinkya Arun Firodia, (Managing Director).

F. Number of Shares and Convertible Instruments held by Non- Executive Directors as on March 31, 2026.

Name of Non- Executive Directors	No. of shares held	No. of convertible instruments held
Dr. Arun Hastimal Firodia	1,82,963	12,13,868
Mrs. Jayashree Arun Firodia	39,25,222	Nil
Mr. Achal Shirish Kotecha	Nil	Nil
*Mr. Jinendra Hirachand Munot	28,712	Nil
Mr. Venkataiah Madipalli	37	Nil
Mr. Dattatray Parvati Navale	Nil	Nil
Mr. Rohit Prakash Bafana	5,000	Nil
Mr. Shashikant Shivanand Gulve	Nil	Nil

* holds 23,576 shares through Jinendra Hirachand Munot HUF

G. Web link where details of Familiarization Programmes imparted to Independent Directors is disclosed

The Board of Directors has approved familiarization programme for Independent Directors. The details regarding familiarization programmes imparted to Independent Directors of the Company are also given on the website of the Company at <https://kineticindia.com/policies-and-codes/>.

H. Skills / expertise / competence of the Board of Directors:

The Board has identified the following core skills / expertise / competencies as required in the context of the Company's business(es) and sector(s) for it to function effectively and are currently available with the Board:

Skill / Expertise / Competency		
Industry Knowledge / Experience	Technical skills / Experience	Behavioural Competencies
Knowledge of Automobile Industry Sector and Knowledge of Government Policy.	Projects, Accounting, Finance, Law, Marketing Experience, IT and Digital outreach, Public Relations, Risk Management Systems, Human Resource Management and Strategy Development and Implementation.	Sound Judgment, Integrity and High Ethical Standard, Interpersonal Relations, Listening & Verbal Communication Skills and Understanding of effective Decision-making processes.

On the basis of the above-mentioned skill matrix, the skills which are currently available with the Board are as under: -

Name of the Director	Industry Knowledge /Experience	Technical skills / Experience	Behavioural Competencies
Dr. Arun Hastimal Firodia	✓	✓	✓
Mrs. Jayashree Arun Firodia	✓	-	✓
Mr. Ajinkya Arun Firodia	✓	✓	✓
Mr. Achal Shirish Kotecha	✓	✓	✓
Mr. Jinendra Hirachand Munot	✓	✓	✓
Mr. Venkataiah Madipalli	✓	✓	✓
Mr. Dattatray Parvati Navale	✓	✓	✓
Mr. Rohit Prakash Bafana	✓	✓	✓
Mr. Shashikant Shivanand Gulve	✓	✓	✓

I. Confirmation that in the opinion of the Board, the Independent Directors fulfil the conditions specified in these Regulations and are independent of the management

Based on the declaration submitted by the Independent Directors of the Company provided at the beginning of the Financial Year 2025-26, the Board hereby certify that all the Independent Directors appointed by the Company fulfils the conditions specified in these regulations and are independent of the management.

J. Detailed reasons for the resignation of the Independent Director who resigns before the expiry of his/her tenure along with a confirmation by such director that there are no other material reasons other than those provided - None

3. AUDIT COMMITTEE:

A. Brief description of terms of reference:

The primary objective of the audit committee is to monitor and provide an effective supervision of the Management's financial reporting process, to ensure accurate and timely disclosures with the highest levels of transparency, integrity and quality of financial reporting. The Committee oversees the work carried out in the financial reporting process by the Management, the internal auditors and the Independent Auditors and notes the processes and safeguards employed by each of them. The audit committee is responsible to select, evaluate and where appropriate, replace the independent auditors in accordance with the law. All possible measures are taken by the committee to ensure the objectivity and independence of Independent auditors.

B. Composition of Committee during the year under review:

The Committee is comprised solely of Independent Directors and is in compliance with the requirements of Section 149 of the Companies Act, 2013 & Regulation 18 of the Listing Regulations, 2015 during the financial year 2025-26.

Name of the Director	Category	Status
Mr. Jinendra Hirachand Munot	Independent Director	Chairman
Mr. Achal Shirish Kotecha	Independent Director	Member
Mr. Venkataiah Madipalli	Independent Director	Member
Mr. Dattatray Parvati Navale	Independent Director	Member
Mr. Rohit Prakash Bafana	Independent Director	Member

C. Meetings and attendance during the year under review:

During the year under review, four (4) Meetings of the Audit Committee were held on May 13, 2025, July 28, 2025, November 12, 2025 and February 03, 2026. Details of attendance of the Members at the meeting were as follows:

Name of the Director	No. of Meetings held during the Year	No. of Meetings attended
Mr. Jinendra Hirachand Munot	4	4
Mr. Achal Shirish Kotecha	4	3
Mr. Venkataiah Madipalli	4	4
Mr. Dattatray Parvati Navale	4	4
Mr. Rohit Prakash Bafana	4	4

The Head of Finance Department, CEO, Internal Auditors, Representative of Statutory Auditors, and other Senior Executives members of the Company were also invited to attend the Audit Committee Meetings. The Company Secretary acts as a secretary to the Audit Committee.

4. NOMINATION AND REMUNERATION COMMITTEE

A. Brief description of Terms of reference:

- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal.
- Formulation of criteria for evaluation of Independent Directors and the Board;
- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- Devising a policy on Board diversity;
- Recommending to the Board on candidates for any Board vacancies that are to be filled.

B. Composition of Committee during the year under review:

The composition of the Nomination and Remuneration Committee for the year ended March 31, 2026 is as follows: -

Name of the Director	Category	Status
Mr. Jinendra Hirachand Munot	Independent Director	Chairman
Mr. Achal Shirish Kotecha	Independent Director	Member
Mr. Venkataiah Madipalli	Independent Director	Member

Mr. Dattatray Parvati Navale	Independent Director	Member
Mr. Rohit Prakash Bafana	Independent Director	Member

C. Meetings and attendance during the year under review:

During year under review, Two (2) Meetings of the Nomination and Remuneration Committee were held on July 28, 2025 and February 03, 2026. Details of attendance of the Members at the meeting were as follows:

Name of the Director	No. of Meetings held during the Year	No. of Meetings attended
Mr. Jinendra Hirachand Munot	2	2
Mr. Achal Shirish Kotecha	2	2
Mr. Venkataiah Madipalli	2	2
Mr. Dattatray Parvati Navale	2	2
Mr. Rohit Prakash Bafana	2	2

The Company Secretary acts as a secretary to the Nomination and Remuneration Committee Meeting.

D. Performance evaluation criteria for Independent Directors

The indicative criteria for evaluation of performance of the Independent Director that are provided in their terms of appointment are as under:

- Attendance and contribution at Board and Committee meetings.
- Appropriate mix of expertise, skills, behavior, experience, leadership qualities, sense of sobriety and understanding of business, strategic direction to align company's value and standards.
- Knowledge of finance, accounts, legal, investment, marketing, foreign exchange/hedging, internal controls, risk management, assessment and mitigation, business operations, processes, and corporate governance.
- Ability to create a performance culture that drives value creation and a high quality of debate with robust and probing discussions.
- Effective decision-making ability.
- Ability to open channels of communication with executive management and other colleagues on Board to maintain high standards of integrity and probity.
- His/her global presence, rational, physical, and mental fitness, broader thinking, vision on corporate social responsibility etc.
- His/her ability to monitor the performance of management and satisfy himself/herself with integrity of the financial controls and systems in place by ensuring the right level of contact with external stakeholders.
- His/her contribution to enhance overall brand image of the Company

E. Meeting of Independent Directors

In terms of the provisions of the Schedule IV of the Act and Regulation 25 (3) of the Listing Regulations, the Independent Directors of the Company shall meet at least once in a year,

without the presence of Non-Independent Directors. This meeting is primarily intended to discuss sensitive matters without bias or influence from management or non-independent directors, review the performance of the Chairman, Managing Director, and other executive directors, assess the overall performance of the Board and its committees. The Independent Directors met on March 11, 2026. The Independent Directors have expressed satisfaction on overall evaluation process, coverage of various key aspects of company's affairs which board members may influence or impact, through direct participation or supervision.

5. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Committee assists the Board and the Company in maintaining healthy relationships with all stakeholders. The Committee oversees the mechanisms for redressing grievances and complaints from stakeholders and reviews the matters connected therewith. The Company Secretary acts as a secretary to the Stakeholders Relationship Committee.

A. Composition of the Committee during the year under review:

The composition of the Stakeholders Relationship Committee for the year ended March 31, 2026 is as follows: -

Name of the Director	Category	Status
Mr. Jinendra Hirachand Munot	Independent Director	Chairman
Mr. Achal Shirish Kotecha	Independent Director	Member
Mr. Venkataiah Madipalli	Independent Director	Member
Mr. Dattatray Parvati Navale	Independent Director	Member
Mr. Rohit Prakash Bafana	Independent Director	Member

B. Meetings and attendance during the year under review:

During the period under review, one meetings of the Stakeholders Relationship Committee were held on February 03, 2026. Details of attendance of the Members at the meeting were as follows:

Name of the Director	No. of Meetings held during the Year	No. of Meetings attended
Mr. Jinendra Hirachand Munot	1	1
Mr. Achal Shirish Kotecha	1	1
Mr. Venkataiah Madipalli	1	1
Mr. Dattatray Parvati Navale	1	1
Mr. Rohit Prakash Bafana	1	1

C. Name and designation of compliance officer

Mr. Chaitanya Mundra, Company Secretary & Compliance Officer acts as Secretary to the Committee.

D. Number of shareholder's complaints received, not solved to the satisfaction of shareholders and pending

Number of shareholder's complaints received during the financial year	1
Number of complaints not solved to the satisfaction of shareholders	1
Number of pending complaints as on March 31, 2026	0

6. RISK MANAGEMENT COMMITTEE

Not Applicable, as the Company does not fall within the prescribed category of listed entities to which Regulation 21 of the SEBI LODR Regulations is applicable.

7. SENIOR MANAGEMENT

Particulars of Senior Management including the changes therein since the close of the previous financial year.

Sr. No.	Name	Designation	Changes, if any
1.	Mr. Vinayak Shevade	Chief Financial Officer	-
2.	Mr. Chaitanya Mundra	Company Secretary	-
3.	Mr. Rajpal Sharma	Chief Operating Officer	Resigned on February 03, 2026
4.	Mr. Rajesh Dhongade	Chief Operating Officer	Appointment on February 04, 2026

8. REMUNERATION OF DIRECTORS

A. All Pecuniary Relationship or Transactions of the Non-Executive Directors vis-à-vis the listed entity.

Details of Sitting Fees paid to Non-Executive Directors for attending Board/ Committee Meetings and their shareholding in the Company during the period ended on March 31, 2026 are as follows:

Sr. No.	Name of the Non- Executive Director	Sitting Fees (In INR)
1.	Mrs. Jayashree Arun Firodia	28,000
2.	Dr. Arun Hastimal Firodia	-
3.	Mr. Jinendra Hirachand Munot	40,500
4.	Mr. Venkataiah Madipalli	40,500
5.	Mr. Dattatray Parvati Navale	40,500
6.	Mr. Achal Shirish Kotecha	31,000
7.	Mr. Rohit Prakash Bafana	40,500
8.	Mr. Sashikant Shivanand Gulve	14,000

B. Criteria of making payments to Non-Executive Directors

The terms of appointment/re-appointment, remuneration/fees, removal of Non-Executive Directors are governed by the resolutions passed by the Board / the Nomination and Remuneration Committee, which cover the terms and conditions of such appointment/ re appointment as per the Nomination and Remuneration Policy and Article of Association of the Company, as amended from time to time. No separate service contract is entered into by the Company with any Non-Executive Directors. The statutory provisions will however apply.

Further, the detailed Nomination and Remuneration Policy is annexed to Director's Report as Annexure IV and forms part of this Integrated Annual Report and is also available on the website of the Company at www.kineticindia.com/policies under investor relation section.

C. Disclosure with respect to Remuneration

i. Details of Remuneration paid to Executive Directors for the year ended on March 31, 2026: The aggregate value of salary, perquisites and commission paid for the year ended March 31, 2026 to the Managing Director (MD) is as follows:

Sr. No.	Particulars of Remuneration	Ajinkya Arun Firodia	Total (in INR)
1	Gross Salary		
	(a.) Salary	1,13,09,244.00	1,13,09,244.00
	(b.) Perquisites	-	-
2	Commission as % of profit	-	-
3	Others	-	-
Total		1,13,09,244.00	1,13,09,244.00

All the above remuneration was fixed/varies with respect to time-scale.

ii. Details of fixed component and performance linked incentives, along with the performance criteria: The details of fixed component are as provided in the table above and there are no other incentives paid to any Director of the Company.

iii. Service Contract, Severance Fee and Notice Period of the Executive Directors: The appointment/re-appointment of the Executive Directors is governed by the resolutions passed by the Board / The Nomination and Remuneration Committee/ Nomination and Remuneration Policy and the Shareholders of the Company, which cover the terms and conditions of such appointment, read with the service rules of the Company. A separate Service Contract is not entered into by the Company with Executive Directors. No notice period or severance fee is payable to any Director. The statutory provisions will however apply. The terms of appointment/re-appointment, remuneration and removal of Executive Directors are as per the Nomination and Remuneration Policy.

iv. Stock Options details, if any and whether issued at a discount as well as the period over which accrued and over which exercisable: Nil

9. GENERAL BODY MEETINGS:

A. Location and time where the last three Annual General Meeting was held and special resolution passed thereat:

Year ended	Date of AGM	Time	Venue	Whether Special Resolution Passed or not	Details of Special Resolution passed
March 31, 2025	September 30, 2025	11:30 Hrs.	Through Video Conferencing ('VC')/Other Audio Visual Means facility. D-1 Block, Plot No. 18/2, Chinchwad MIDC, Pune – 411019	Yes	Regularisation of Mr. Shashikant Shivanand Gulve as a Non-executive Non-Independent Director; To approve re-appointment of Mr. Jinendra Hirachand Munot (DIN: 00049838) as a Non-executive Independent Director;

					To approve re-appointment of Mr. Venkataiah Madipalli (DIN: 00041420) as a Non-executive Independent Director; To appoint Mr. Dinesh Birla, Proprietor of M/s Dinesh Birla & Associates, Practicing Company Secretaries, as Secretarial Auditors of the Company; To approve material related party transaction (s) between the Company and Kinetic Watts and Volts Limited.
March 31, 2024	September 30, 2024	11:30 Hrs.	Through Video Conferencing ('VC')/Other Audio Visual Means ('OAVM') facility. D-1 Block, Plot No. 18/2, Chinchwad MIDC, Pune – 411019	Yes	To appoint a director in place of Mrs. Jayashree Arun Firodia (DIN: 00328499), who attains 81 years' of age and retires by rotation, being eligible, offers herself for re-appointment.
March 31, 2023	September 30, 2023	11:30 Hrs.	Through Video Conferencing ('VC')/Other Audio Visual Means ('OAVM') facility. D-1 Block, Plot No. 18/2, Chinchwad MIDC, Pune – 411019	Yes	Re-appointment of Mr. Ajinkya Arun Firodiya, as the Managing Director of the Company. Appointment of Mr. Dattatray Parvati Navale, (DIN: 10207503) as Non - Executive Independent Director Appointment of Mr. Achal Shirish Kotecha, (DIN: 03543151) as Non - Executive Independent Director

B. Details of Special Resolution passed last year through Postal Ballot, details of voting pattern and procedure thereof and person who conducted Postal Ballot exercise:

During the financial year 2025-26, the Company did not conduct any Postal Ballot pursuant to the applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Accordingly, there are no details to be furnished regarding special resolutions passed through Postal Ballot, voting pattern, procedure, or the scrutinizer.

C. Procedure for Postal Ballot:

During the financial year 2025-26, the Company did not conduct any Postal Ballot pursuant to the applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Accordingly, there are no details to be furnished regarding special resolutions passed through Postal Ballot, voting pattern, procedure, or the scrutinizer.

D. Details of special resolution proposed to be conducted through Postal Ballot this year:

Currently, there is no proposal to pass any Special resolution through Postal Ballot. Special resolutions by way of Postal Ballot, if required to be passed in the future, will be decided at the relevant time.

10. MEANS OF COMMUNICATION

A. Quarterly Results:

The Company published extract of the detailed format of Quarterly Un-Audited Financial Results and Audited Standalone and Consolidated Financial Results for the whole Financial Year as per the format prescribed under SEBI (LODR) Regulations.

B. Newspapers wherein results normally published:

The Company's quarterly/half-yearly/annual financial results are sent to Stock Exchange and published in 'Financial Express' and 'Loksatta' newspapers.

C. Website, where displayed:

The financial results are displayed on the Company's website www.kineticindia.com. Simultaneously, financial results of the Company are also available at www.bseindia.com. The website of the Company www.kineticindia.com is regularly being updated with the basic information about the Company e.g. details of its business, financial information, shareholding pattern, annual report, quarterly financial results, corporate announcements, press releases, compliance with corporate governance, various policies, contact information of the designated officials of the Company who are responsible for assisting and handling investor grievances, etc.

D. Official News Releases

The Company regularly publishes an information update on its financial results and also displays official news releases in the investor relations section.

E. Presentations made to Institutional Investors or to the analyst:

During the financial year under review, all presentations made to Institutional Investors and/or Analysts were promptly submitted to the Stock Exchanges and are also available on the website of the Company at <https://kineticindia.com/investor-presentations/> in

accordance with the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

11. GENERAL SHAREHOLDER INFORMATION

A. 55th Annual General Meeting – Day, Date, Time and Venue:

Day	Date	Time	Venue and Mode
Tuesday	September 29, 2026	11:15 Hrs.	Through Video Conferencing (VC) or Other Audio Visual Means (OAVM). Company's Registered Office i.e. D1 Block, Plot No.18/2, Chinchwad, Pune, Maharashtra, India, 411019

B. Financial year:

The Financial year of the Company starts from April 01 of a year and ends on March 31 of the following year.

Adoption of quarterly results for the quarter ending (tentative and subject to change)

Quarter Ending	Date
June 30, 2026	August 03, 2026
September 30, 2026	November 14, 2026
December 31, 2026	February 14, 2027
March 31, 2027	May 30, 2027

C. Dividend Payment

The Directors have not recommended any Dividend for the financial year ended on March 31, 2026.

D. Listing of Shares on Stock Exchanges

The shares of the Company are listed on BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Fort Mumbai - 400 001.

E. Stock Code and ISIN

BSE (Equity Shares)	: 500240
ISIN for equity shares	: INE266B01017

F. Market Price Data- High, Low during each month in last financial year

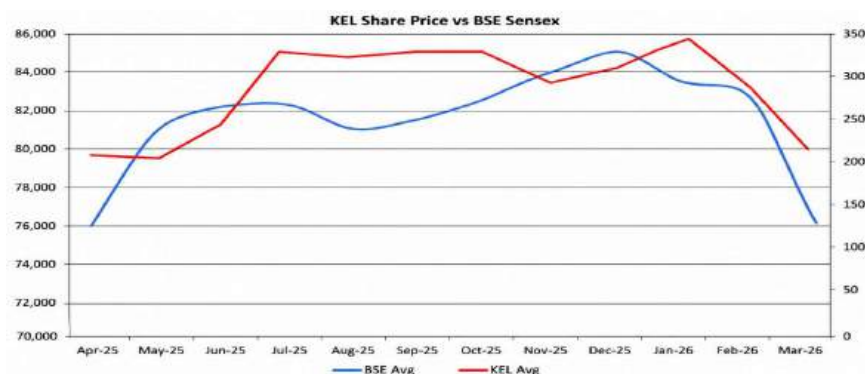
Month & Year	KEL Share Price		BSE Sensex	
	High (In INR)	Low (In INR)	High (In INR)	Low (In INR)
April, 2025	195.45	167.60	80,661.31	71,425.01
May, 2025	189.70	165.75	82,718.14	78,968.34
June, 2025	284.00	177.40	84,099.53	80,354.59

July, 2025	385.00	246.50	83,935.01	80,575.45
August, 2025	337.95	281.00	82,231.17	79,741.76
September, 2025	339.00	288.75	83,141.21	79,818.38
October, 2025	333.95	290.75	85,290.06	80,159.90
November, 2025	319.50	250.60	86,055.86	82,670.95
December, 2025	352.00	245.00	86,159.02	84,150.19
January, 2026	365.00	286.60	85,883.50	81,088.59
February, 2026	314.40	236.10	85,871.73	79,899.42
March, 2026	255.60	175.10	80,632.55	71,774.13

Stock Market Price Data (Source: Official Website of BSE www.bseindia.com):

G. Performance in comparison to broad-based indices such as BSE Sensex

Kinetic Engineering Ltd (KEL) Share price on BSE vis-à-vis BSE Sensex (2025-26)



H. In case the securities are suspended from trading, the directors report shall explain the reason thereof – Not Applicable

I. Registrars and Transfer Agents:

The Company's equity shares are compulsorily traded in Demat mode and hence transferable through the depository system. MUFG Intime India Pvt. Ltd. (Formally known as Link Intime India Pvt. Ltd.) Akshay Complex, Block No. 202, 2nd Floor, Dhole Patil Road, Pune - 411001 has been appointed as Company's Registrars and Transfer Agent as per SEBI's Circular for appointment of Common Agency to carry physical and electronic share registry work.

J. Share Transfer System

All the transfers received are processed by the Registrars and Transfer Agent and approved by the Authorised Directors/ Company Secretary of the Company. The demat request which were received in physical form, were processed and the share certificates returned within a period of 30 days from the date of receipt, (as per the relaxation in time

line granted for processing of Demat request vide SEBI letter no. NSDL/11/SEBI/PP/2150/2018 dated 24th January, 2019) subject to the documents being valid and complete in all respects.

K. Distribution of Shareholding as on March 31, 2026.

Kinetic Engineering Limited							
Distribution Of Shareholding Based On Shares Held							
Report Type : All(NSDL+CDSL+PHYSICAL)							
SERIAL #	SHARES RANGE			NUMBER OF SHAREHOLDERS	% OF TOTAL SHAREHOLDERS	TOTAL SHARES FOR THE RANGE	% OF ISSUED CAPITAL
1	1	to	500	20536	92.12	1349744	5.02
2	501	to	1000	746	3.35	598358	2.22
3	1001	to	2000	498	2.23	731483	2.72
4	2001	to	3000	173	0.78	439324	1.63
5	3001	to	4000	80	0.36	285567	1.05
6	4001	to	5000	50	0.22	235643	0.88
7	5001	to	10000	99	0.43	725777	2.70
8	10001	to	*****	112	0.51	22545195	83.78
Total				22294	100.00	26911091*	100.00

* During the financial year, 31,00,000 Equity Shares were allotted pursuant to conversion of warrants on March 11, 2026. The said Equity Shares were pending listing/trading approval as at March 31, 2026 and accordingly were not reflected in the dematerialisation position reported above. The same have been duly considered in the paid-up share capital of the Company.

Shareholding Pattern as on March 31, 2026.

Category	No. of Shares held	% of total share capital
Promoters & Promoters Group	1,75,02,276	65.04
Public	94,08,815	34.96
Total	2,69,11,091	100.00
Public holding Bifurcation		
Mutual Funds	694	0.00
Alternate Investment Funds	1,79,680	0.67
Banks	1,782	0.01
Other Financial Institutions	793	0.00
Foreign Venture Capital Investors	8,81,617	3.28
Any Other Institutions (Foreign)	256	0.00
Residential Individual holding nominal share capital up to Rs. 2 Lakhs	44,47,729	16.53
Resident Individuals holding nominal share capital in excess of Rs. 2 lakhs	27,32,624	10.15
Non Resident Indians (NRIs)	3,81,680	1.42
Bodies Corporate	1,55,064	0.58
Any Other	6,26,896	2.33

L. Dematerialization of shares and liquidity

The Company's Shares are compulsory traded on BSE in dematerialized form. As on March 31, 2026 the details of the Shares of the Company held in physical and demat form are given below:

Sr. No.	Particulars	No. of Shares	% to the Capital
1.	Shares held in Physical Form	3,89,904	1.64
2.	Shares held in Demat Form - NSDL	1,66,92,016	70.10
3.	Shares held in Demat Form - CDSL	67,29,171	28.26
Total*		2,38,11,091	100.00

* During the financial year, 31,00,000 Equity Shares were allotted pursuant to conversion of warrants on March 11, 2026. The said Equity Shares were pending listing/trading approval as at March 31, 2026 and accordingly were not reflected in the dematerialisation position reported above. The same have been duly considered in the paid-up share capital of the Company.

M. Outstanding Global Depository Receipts or American Depository Receipts or warrants or any convertible instruments, conversion date and likely impact on equity

Up to March 31, 2026, 42,69,591 warrants of Promoter Group were converted into an equivalent number of Equity Shares of the Company. The Equity Shares so allotted on March 11, 2029 were pending listing/trading approval as at March 31, 2026.

Further, till March 31, 2026, 4,00,000 warrants held by the non-Promoter Group were converted into an equivalent number of Equity Shares of the Company. Accordingly, the warrants allotted to the non-Promoter Group have been fully converted into Equity Shares.

As at March 31, 2026, 50,87,134 warrants remained outstanding, held by the Promoter and Promoter Group. The outstanding warrants are convertible into an equivalent number of Equity Shares of the Company, subject to the terms and conditions of the issue and applicable laws and regulatory approvals.

The details of the outstanding warrants as at March 31, 2026 are as follows:

Name of Warrant Holder	No. of Warrants Converted till March 31, 2026	Balance No. of Warrants Outstanding as on March 31, 2026
Jayashree Firodia Trust	21,46,791	20,23,266
Arun Firodia Trust	19,72,800	18,50,000
Arun Hastimal Firodia	1,50,000	12,13,868

Upon conversion of the balance 50,87,134 outstanding warrants, the paid-up Equity Share Capital of the Company will increase by the number of Equity Shares allotted pursuant to such conversion, subject to the terms and conditions of the warrant issue and applicable regulatory approvals.

Consequently, the percentage shareholding of the existing shareholders would be diluted to the extent of such additional Equity Shares issued upon conversion.

N. Commodity price risk or foreign exchange risk and hedging activities

The Company is exposed to fluctuations in the prices of key raw materials used in its manufacturing operations. The Company does not undertake commodity hedging activities during the year under review.

O. Plant Locations

The Company's plant is located at Ahmednagar - Daund Road, Ahmednagar (Maharashtra).

P. Address for correspondence

Shareholder's correspondence may be addressed to the Registrars & Transfer Agent - MUFG Intime India Pvt. Ltd. (Formally known as Link Intime India Pvt. Ltd.), Block No. 202, Akshay Complex, 2nd floor, Dhole Patil Road, Pune - 411001. Shareholders holding shares in electronic mode should address all their correspondence to their respective Depository Participants. Investor grievances, queries, etc. can be additionally marked to kelinvestors@kineticindia.com

Q. Credit Ratings:

Total Bank Loan Facilities Rated	32 Crore
Long Term Rating	BB+/Stable
Short Term Rating	A4+

12. OTHER DISCLOSURES:

A. Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large.

During the financial year ended March 31, 2026 there were no materially significant related party transactions that had potential conflict with the interest of the Company at large.

B. Details of non-compliance by the listed entity, penalties, and strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years.

The Company became a listed company from October 08, 1970. No penalty or stricture has been imposed by the Stock Exchanges or SEBI or any other authority since the date of listing.

C. Details of establishment of Vigil Mechanism / Whistle Blower Policy and affirmation that no personnel has been denied access to the Audit Committee.

The Company has established a Vigil Mechanism / Whistle Blower Policy pursuant to the provisions of Section 177 of the Companies Act, 2013 and rules made thereunder as amended from time to time and Regulation 22 of SEBI (LODR) Regulations for its Directors and Employees to report the genuine concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy. The said policy has been uploaded on the website of the Company and is available at <https://kineticindia.com/policies-and-codes/> under Investor Relations Section.

During the year under review, no director or employee has been denied access to the Audit Committee.

D. Details of compliance with mandatory requirements and adoption of the non-mandatory requirements.

The Company has complied with the mandatory requirements of SEBI (LODR) Regulations.

E. Weblink for Policy on determination of Material Subsidiary and Policy on Related Party Transactions.

Both the policies can be accessed at <https://kineticindia.com/policies-and-codes/> under investor relations section.

F. Disclosure of Commodity price risks and commodity hedging activities.

The Company does not deal in commodities and hence the disclosure pursuant to SEBI (LODR) Regulations is not applicable.

G. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).

The funds are utilized as per the object stated in postal ballot dated January 21, 2025.

H. Certificate from Practicing Company Secretary on Non-Disqualification of Directors.

The Company has obtained a certificate from a Practicing Company Secretary that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority in accordance with SEBI (LODR) Regulations. Copy of the Certificate is attached as **Annexure III**.

I. Where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons thereof.

The Board accepted the recommendations of its Committees, wherever made, during the year which were mandatorily required.

J. Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm / network entity of which the Statutory Auditor is a part.

M/s. Pawan Jain and Associates, Chartered Accountants (Firm Registration No.: 0107867W) has been appointed as the Statutory Auditors of the Company. The particulars of total fees paid by the Company on consolidate basis, to the said Statutory Auditor is given below:

Particulars	Amount in Rs. Lakhs
Audit Fees	3.68
Limited Review Fee	0.92
Tax Audit	0.69
Total	5.29

K. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

In order to provide a safe and healthy work environment free of any hassles and all kinds of harassment including sexual harassment and to prevent and redress such harassment

complaints, the Company has in place Prevention and Redressal of Sexual Harassment at Work Place Policy. This policy applies to all employees of the Company & its group companies like regular, temporary, ad hoc, contractual staff vendors, customers, trainees, probationers, apprentices, and also all visitors to the Company.

Number of complaints filed during the financial year	Nil
Number of complaints disposed-off during the financial year	Nil
Number of complaints pending as on end of the financial year	Nil

L. Disclosure by Company and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount

Not Applicable, as the Company has not given any loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount, during the year under review.

M. Details of material subsidiaries of the listed entity, including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries.

Name of material subsidiary	Date of Incorporation	Place of Incorporation	Name of the Statutory Auditors	Date of Appointment
Kinetic Watts And Volts Limited	September 27, 2022	Pune	M/s. Pawan Jain and Associates, Chartered Accountants (Firm Registration No.: 0107867W)	December 30, 2023

N. The Company has complied with the requirements of Corporate Governance Report as mentioned in Sub Paras (2) to (10) of Schedule V of the SEBI (LODR) Regulations.

13. DISCLOSURE OF THE EXTENT TO WHICH THE DISCRETIONARY REQUIREMENTS AS SPECIFIED IN PART E OF SCHEDULE II HAVE BEEN ADOPTED

The Company has adopted the following discretionary requirements as provided in the SEBI (LODR) Regulations:

The Board: The Company have Non-Executive Chairman and no expenses are being incurred & reimbursed in this regard.

Shareholder's Rights: The quarterly and half-yearly results are not being sent to the personal address of shareholders as the quarterly extract of financial results of the Company are published in the Newspaper having wide circulation in India. The quarterly/ half-yearly/ annual financial results are also posted on the website of the Company www.kineticindia.com. Also, financial results and shareholding pattern of the Company are available at www.bseindia.com.

Modified opinion(s) in Audit Report: The Financial Statements of the Company are Un-modified.

Separate posts of Chairperson and the Managing Director or the Chief Executive Officer: Presently, Dr. Arun Hastimal Firodia is the Chairman of the Company and Mr. Ajinkya Arun Firodia is Managing Director of the Company.

Reporting of Internal Auditor: The Internal Auditors of the Company report directly to the Audit Committee and are invited to be present as invitees at the Audit Committee meetings held every quarter.

14. DISCLOSURE OF COMPLIANCE OF REGULATION 17 TO 27 AND CLAUSES (B) TO (I) OF SUBREGULATION (2) OF REGULATION 46.

The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 of SEBI (LODR) Regulations and Clause (b) to (i) of Sub-regulation (2) of Regulation 46 of SEBI (LODR) Regulations.

15. SECRETARIAL COMPLIANCE REPORT.

The Secretarial Compliance Report issued by the Practicing Company Secretary pursuant to Regulation 24A of the SEBI LODR Regulations is available on the website of the Company.

16. DECLARATION SIGNED BY THE CHIEF EXECUTIVE OFFICER STATING THAT THE MEMBERS OF BOARD OF DIRECTORS AND SENIOR MANAGEMENT PERSONNEL HAVE AFFIRMED COMPLIANCE WITH THE CODE OF CONDUCT OF BOARD OF DIRECTORS AND SENIOR MANAGEMENT.

The said declaration signed by the chief executive officer of the Company forms an integral part of the Annual Report.

17. COMPLIANCE CERTIFICATE FROM EITHER THE AUDITORS OR PRACTICING COMPANY SECRETARIES REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE.

The Certificate from the Statutory Auditors of the Company regarding compliance of conditions of Corporate Governance forms an integral part of the Annual Report.

18. DIRECTORS AND OFFICERS INSURANCE.

Regulation 25(10) of the SEBI LODR Regulations is not applicable to the Company, as the Company does not fall within the prescribed category based on market capitalization.

19. DISCLOSURE WITH RESPECT TO SUSPENSE ESCROW DEMAT ACCOUNT.

During the financial year under review, no shares were transferred to the Suspense Account. Accordingly, the details relating to shareholders and shares lying in the Suspense Account are as follows:

Particulars	No. of Shareholders	No. of Shares
Aggregate number of shareholders and outstanding shares in the Suspense Account at the beginning of the year	Nil	Nil
Number of shareholders who approached the Company for transfer of shares from the Suspense Account during the year		
Number of shareholders to whom shares were transferred from the Suspense Account during the year		
Aggregate number of shareholders and outstanding shares in the Suspense Account at the end of the year		

The voting rights on the shares, if any, lying in the Suspense Account shall remain frozen until the rightful owner claims such shares.

The Registrar and Transfer Agent of the Company has approached 37 shareholders in respect of 889 shares and 663 shares, as applicable, by issuing letters seeking the requisite confirmation/documents for taking necessary action in accordance with the applicable provisions. The Company, in coordination with its Registrar and Transfer Agent, is following up with the concerned shareholders for completion of the requisite formalities.

20. DISCLOSURE OF CERTAIN TYPES OF AGREEMENTS BINDING LISTED ENTITIES.

There are no agreements impacting management or control of the Company or imposing any restriction or create any liability upon the Company which require disclosure under Clause 5A of Para A of Part A of Schedule III of the Listing Regulations.

By Order of the Board of Directors
For **Kinetic Engineering Limited**

Date: August 03, 2026
Place: Pune

Sd/-
Arun Hastimal Firodia
Chairman
(DIN: 00057324)

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

To
The Members of
Kinetic Engineering Limited
D1 Block, Plot No.18/2, MIDC Chinchwad, Pune 411019

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Kinetic Engineering Limited having CIN L35912MH1970PLC014819 and having registered office at D-1 Block, Plot No.18/2, MIDC Chinchwad, Pune MH 411019 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2026 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of the Director	DIN
1.	Dr. Arun Hastimal Firodia	00057324
2.	Mrs. Jayashree Arun Firodia	00328499
3.	Mr. Ajinkya Arun Firodia	00332204
4.	Mr. Rohit Prakash Bafana	00590469
5.	Mr. Venkataiah Madipalli	00041420
6.	Mr. Jinendra Hirachand Munot	00049838
7.	Mr. Dattatray Parvati Navale	10207503
8.	Mr. Achal Shirish Kotecha	03543151
9.	Mr. Shashikant Shivanand Gulve	11208226

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

For Dinesh Birla & Associates
Company Secretaries
Sd/-
Dinesh Birla,
Proprietor
FCS: 7658, CP No. : 13029
PRC No. : 1668/2022
UDIN: F007658H001240714

Date: August 27, 2026
Place: Pune

Declaration by the Chief Finance Officer (CFO)
(Pursuant to Regulation 34(3) and Schedule V of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015]

I, Vinayak Jayaram Shevade, Chief Financial Officer of the Kinetic Engineering Limited, hereby declare that all the members of the Board of Directors and the Senior Management Personnel have affirmed compliance with the Code of Conduct of Board of Directors and Senior Management Personnel, applicable to them as laid down by the Board of Directors in terms of Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the year ended March 31, 2026.

For Kinetic Engineering Limited

Sd/-
Vinayak Jayaram Shevade
Chief Financial Officer

Date: August 03, 2026
Place: Pune

Chief Financial Officer (CFO) Certification

[Pursuant to Regulation 17 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

I Vinayak Jayaram Shevade, Chief Financial Officer of Kinetic Engineering Limited, to the best of my knowledge and belief hereby certify that:

- A. I have reviewed financial statements and the cash flow statement for the year ended March 31, 2026 and that to the best of our knowledge and belief:
 - 1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - 2. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- C. I accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.
- D. I have indicated to the auditors and the Audit committee
 - 1. There are no significant changes in internal controls over financial reporting during the year;
 - 2. There are no significant changes in accounting policies during the year; and
 - 3. There are no instances of significant fraud of which we have become aware.

For **Kinetic Engineering Limited**

Sd/-

Vinayak Jayaram Shevade
Chief Financial Officer

Date: August 03, 2026
Place: Pune

COMPLIANCE CERTIFICATE BY STATUTORY AUDITOR'S

(Pursuant to clause E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015)

To
**The Members of
Kinetic Engineering Limited**

This certificate is issued in accordance with the terms of our engagement with Kinetic Engineering Limited ('the Company').

We have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on March 31, 2026 as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

Managements' Responsibility

The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

Auditor's Responsibility

Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

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.

Opinion

Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended March 31, 2026.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **Pawan Jain and Associates**
Chartered Accountants
Firm Registration No: 0107867W

Date: August 03, 2026
Place: Pune

Sd/-
CA Pawan Jain
Partner
Membership No: 032900
UDIN: 26032900OFBEMV7505

INDEPENDENT AUDITOR'S REPORT

To
The Members of
KINETIC ENGINEERING LIMITED

REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Opinion

We have audited the standalone financial statements of **Kinetic Engineering Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2026, and the Statement of Profit and Loss (including other comprehensive income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs (financial position) of the Company as at March 31, 2026, and its Profit (financial performance including other comprehensive income), its changes in equity and cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters ('KAM') are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the standalone financial statements and our auditors' report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance/conclusion thereon. In connection with our audit of the standalone financial statements, our responsibility is to read the other

information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the 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 the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management and Board of Directors are 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account;

- d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act;
- e) On the basis of the written representations received from the directors as on March 31, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164(2) of the Act;
- f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B";
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- I. The Company has disclosed the impact of pending litigations as at March 31, 2026 on its financial position in its standalone financial statements (Refer Note 38);
- II. The Company did not have any long-term contracts, including derivative contracts for which there were any material foreseeable losses as at March 31, 2026;
- III. There has been no amount required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2026;
- IV. (a) The management has represented to us that, to the best of its knowledge and belief no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note No. 45);
- (b) The management has represented to us, that, to the best of its knowledge and belief no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note No. 45);

(c) Based on the information and explanation given to us and audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations made by the management and as mentioned under sub-clause (iv) (a) and (iv) (b) above contain any material misstatement.

- V. Based on our examination, which included test checks, the Company has used accounting software systems for maintaining its books of account for the financial year ended March 31, 2026 which have the feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software systems. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.
- VI. During the year, the company has not declared or paid any dividend.

For Pawan Jain and Associates
Chartered Accountants
Firm Registration No: 0107867W

Place: Pune
Date: May 29, 2026

CA Pawan Jain
Partner
Membership No: 032900
UDIN: 26032900RXRRTY9204

Annexure “A” to the Independent Auditor’s Report (Referred to in Paragraph 1 under the heading, “Report on Other Legal and Regulatory Requirements” of our report on even date)

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- I. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment. The Company is maintaining proper records showing full particulars of intangible assets;
- (b) As informed to us, the Property, Plant and Equipment are being physically verified by the management at regular intervals based on the programme of verification which in our opinion is reasonable. All the major Property, Plant and Equipment have been verified by the management in the current year and discrepancies noticed on such physical verification were not material and the same have been properly dealt with in the books of account;
- (c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties been taken on lease and disclosed as Property, Plant and Equipment in the standalone financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement;
- (d) The company has/ has not revalued its Property, Plant & Equipment or Intangible assets or both during the year;
- (e) According to the information and explanations provided to us there are no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder. Hence, reporting under clause 3(i) (e) of the Order is not applicable;
- II. (a) Physical verification of inventory has been conducted at reasonable intervals by the management during the current year. In our opinion, the coverage and procedure of such verification by the management is appropriate. As informed to us, discrepancies noticed on physical verification were not material and the same have been properly dealt with in the books of account;
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company;
- III. The company has not granted any loans, secured or unsecured to Companies, Firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore, clause 3(iii) (a), (b), (c), (d), (e) and (f) of the Order are not applicable to the Company;

under section 189 of the Companies Act, 2013. Therefore, clause 3(iii) (a), (b), (c), (d), (e) and (f) of the Order are not applicable to the Company;

- iv. According to the information and explanations provided to us, in respect of loans, investments, guarantees, and security; provisions of section 185 and 186 of the Companies Act, 2013 have been complied with wherever applicable;
- v. According to information and explanation provided to us, the Company has not accepted deposits, hence the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under, are not applicable to the company. According to the information and explanation provided to us, no order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal;
- vi. As informed to us, the cost records, pursuant to the rules made by the Central Government for the maintenance of cost records under sub-section (1) of section 148 of the Companies Act 2013 are not applicable to the company;
- vii. (a) According to the records of the company, it is generally regular in depositing undisputed statutory dues of provident fund, employees' state insurance, income-tax, goods and service tax, duty of customs, cess and any other statutory dues with the appropriate authorities.
- (b) According to the information and explanation provided to us, there are no dues of Income-tax or Sales tax or Service tax or Goods and Service tax or duty of Customs or duty of Excise or Value added tax or entry tax, which have not been deposited by the Company on account of disputes, except for the following:

Nature of Dues	Amount in (Rs) Lakhs	Forum where dispute is pending
Income Tax 2000-01	1.29	ITAT, Pune
Income Tax 2011-12	0.24	CIT Appeals Pune
Entry Tax 2008-09	6.19	Dy. Commissioner Commercial Tax, Indore
MP VAT Tax 2007-08, 2008-09, 2009-10	9.17	Appellate Dy. Commissioner commercial Tax, Indore
Excise Duty	56.39	CESTAT, Mumbai and Nagpur
GST (Pune) 2020-21	19.32	Joint Commissioner of State Tax, Appeal-2, Pune

- viii. There are no transactions that are not recorded in the books of account to be surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961;
- ix. (a) The Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) The Company has not been declared wilful defaulter by any bank or financial or institution or government or any government authority.
- (c) The Company has taken term loans and term loans were applied for the purpose for which the loans were obtained.

(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the company.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies and hence reporting on clause 3(ix)(f) of the Order is not applicable.

X. (a) According to information and explanation provided to us, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments). The Company has raised moneys by way of term loans from the bank during the year and were applied for the purposes for which those are raised;

(b) During the year the Company has made preferential allotment of shares in compliance with sections 42 and 62 of Companies Act, 2013 wherever applicable and the details have been disclosed in the Standalone Financial Statements as required;

XI. (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

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

XII. The Company is not a Nidhi Company and accordingly, Clause 3(xii) of the Order is not applicable to the Company;

XIII. According to the information and explanation provided to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 wherever applicable and the details have been disclosed in the Standalone Financial Statements as required by the applicable Indian Accounting Standards;

XIV. The company has an internal audit system commensurate with the size and nature of its business. The reports of the Internal Auditor for the period under audit has been considered;

XV. According to the information and explanation provided to us, the Company has not entered into any non-cash transactions with directors or persons connected with him;

XVI. (a) According to the information and explanation provided to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934;

(b) According to the information and explanations given to us and procedures performed by us, we report that the Company has not conducted any Non-Banking

Financial or Housing Finance activities during the year. Therefore, reporting under clause 3(xvi) (b) of the Order is not applicable;

(c) According to the information and explanations given to us and procedures performed by us, the Company is not Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India, hence reporting under clause 3(xvi) (c) of the Order is not applicable;

(d) According to the information and explanations given to us and procedures performed by us, reporting under clause 3(xvi) (d) of the Order is not applicable;

XVII. The Company has not incurred cash losses during current financial year and had not incurred cash losses during immediately preceding financial year;

XVIII. There has been no resignation by statutory auditors during the year hence reporting under clause 3(xviii) of the Order is not applicable;

XIX. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due;

XX. As informed to us, the Company is not liable for any corporate social responsibility under section 135 of the Companies Act 2013 and therefore, Clause 3(xx) of the Order is not applicable to the Company;

For **Pawan Jain and Associates**
Chartered Accountants
Firm Registration No: 0107867W

Place: Pune
Date: May 29, 2026

CA Pawan Jain
Partner
Membership No: 032900
UDIN: 26032900RXRRTY9204

Annexure “B” to the Independent Auditor’s Report (Referred to in paragraph 2 (f) under the heading, “Report on Other Legal and Regulatory Requirements” of our report on even date)

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

We have audited the internal financial controls over financial reporting of **Kinetic Engineering Limited** (the “Company”) as of March 31, 2026 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting of the Company based on our audit. We conducted our Audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an Audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the Audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our Audit involves performing procedures to obtain Audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our Audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the Auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

The company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally

accepted accounting principles. The company’s internal financial control over financial reporting includes those policies and procedures that –

- pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2026, based on the criteria for internal financial control over financial reporting established by Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For **Pawan Jain and Associates**
Chartered Accountants
Firm Registration No: 0107867W

Place: Pune
Date: May 29, 2026

CA Pawan Jain
Partner
Membership No: 032900
UDIN: 26032900RXRRTY9204

KINETIC ENGINEERING LIMITED
D-1 Block, Plot No. 18 / 2, MIDC, Chinchwad, Pune - 411 019
CIN : L35912MH1970PLC014819

Balance Sheet as at March 31, 2026

Balance Sheet as at March 31, 2026		Rs. in Lakhs	
PARTICULARS	Note	March 31, 2026	March 31, 2025
ASSETS			
1) Non-current assets			
a) Property, Plant & Equipment	3	4,969.38	5,140.71
b) Capital work-in-progress		1,269.46	990.45
c) Other Intangible Assets	3	86.67	14.73
d) Financial Assets			
(i) Investments	4	7,424.09	2,717.10
(ii) Other	5	372.96	324.63
e) Deferred Tax Assets	6	-	-
f) Other Non-Current Assets	7	60.58	60.33
		14,183.15	9,247.94
2) Current assets			
a) Inventories	8	6,081.07	5,408.55
b) Financial Assets			
(i) Investments	4	-	-
(ii) Trade receivables	9	3,538.14	3,759.99
(iii) Cash and cash equivalents	10	2,718.58	3,232.69
(iv) Bank Balances other than (iii) above	11	44.01	53.83
(v) Loans	12	3.65	3.65
(vi) Others	13	8.66	1.29
c) Current Tax Assets(Net)	14	240.73	165.10
d) Other current assets	15	206.55	95.88
		12,841.39	12,721.00
TOTAL		27,024.55	21,968.94
EQUITY AND LIABILITIES			
Equity			
a) Equity Share Capital	16	2,691.11	2,341.11
b) Other Equity	17	12,394.61	8,020.27
		15,085.72	10,361.37
Liabilities			
1) Non-current liabilities			
a) Financial Liabilities			
(i) Borrowings	18	4,734.14	4,371.43
b) Provisions	19	226.28	177.22
c) Other Non-Current Liabilities	20	-	-
		4,960.41	4,548.65
2) Current liabilities			
a) Financial Liabilities			
(i) Borrowings	21	2,323.52	1,663.97
(ii) Trade payables	22		
(A) Total outstanding due of micro & small enterprises		192.62	226.85
(B) Total outstanding dues of creditors other than micro & small enterprises		3,646.39	3,788.24
(iii) Others	23	467.63	361.86
b) Provision	25	279.30	295.15
c) Other Current Liabilities	24	68.96	722.84
		6,978.42	7,058.92
TOTAL		27,024.55	21,968.94

Summary of significant accounting policies 2
Notes are integral part of the financial statements

As per our report of even date
For **Pawan Jain And Associates**
Chartered Accountants

For and on behalf of Board of Directors
For **Kinetic Engineering Limited**

Arun Firodia
(Chairman)
DIN: 00057324

Ajinkya Firodia
(Vice Chairman & Managing Director)
DIN: 00332204

CA Pawan Jain
Partner
Membership Number: 032900
Firm Reg No.: 0107867W
Place: Pune
Date: May 29, 2026
UDIN: 26032900RXRRTY9204

Vinayak Shevade
(Chief Financial Officer)

Chaitanya Mundra
(Company Secretary)

KINETIC ENGINEERING LIMITED
D-1 Block, Plot No. 18 / 2, MIDC, Chinchwad, Pune - 411 019
CIN : L35912MH1970PLC014819

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

Statement of Profit or Loss for the period ended March 31, 2026		Rs. in Lakhs	
PARTICULARS	Note	March 31, 2026	March 31, 2025
INCOME :			
a) Revenue from Operations	26	15,031.44	14,246.45
b) Other income	27	798.57	1,250.62
Total Income		15,830.01	15,497.07
EXPENSES :			
a) Cost of materials consumed	28	8,403.40	7,841.22
b) Changes in inventories of finished goods and work-in-progress	29	(523.49)	(94.53)
c) Employee benefits expenses	30	2,447.13	2,206.96
d) Finance costs	31	582.49	490.21
e) Depreciation and amortization expenses	3	507.35	649.80
f) Other expenses	32	4,106.81	3,730.08
Total Expenses		15,523.69	14,823.74
Profit/(Loss) before exceptional items and tax		306.32	673.33
Exceptional items			
Past service cost due to wage code revision - in Gratuity		75.51	-
Profit/(Loss) before tax		230.81	673.33
Tax expenses :			
a) Current tax		-	-
b) Deferred tax		-	-
Profit/(Loss) for the year		230.81	673.33
Other Comprehensive Income			
Items that will not be reclassified to Profit or Loss			
(i) Re-measurement of net defined benefit plan		4.78	(19.05)
Total Other Comprehensive Income		4.78	(19.05)
Total Comprehensive Income for the year		235.59	654.28
Earnings Per Share (Nominal value per share Rs. 10)			
Basic		0.97	3.03
Diluted		0.95	3.00
Summary of significant accounting policies		2	
Notes are integral part of the financial statements			

As per our report of even date
For **Pawan Jain & Associates**
Chartered Accountants

For and on behalf of Board of Directors
For **Kinetic Engineering Limited**

Arun Firodia
(Chairman)
DIN: 00057324

Ajinkya Firodia
(Vice Chairman & Managing Director)
DIN: 00332204

CA Pawan Jain
Partner
Membership Number: 032900
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Place: Pune
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Vinayak Shevade
(Chief Financial Officer)

Chaitanya Mundra
(Company Secretary)

KINETIC ENGINEERING LIMITED

D-1 Block, Plot No. 18 / 2, MIDC, Chinchwad, Pune - 411 019

CIN : L35912MH1970PLC014819

Statement of Cash Flows for the period ended March 31, 2026

PARTICULARS	March 31, 2026	Rs. in Lakhs March 31, 2025
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit / (Loss) for the year	235.59	654.28
Adjustment For :		
Depreciation	507.35	649.80
Interest & Finance charges (Net)	506.77	449.41
Dividend Received	(7.72)	(7.39)
Unrealised gain on fair valuation of Investment	(7.00)	(14.25)
Unrealised Exchange difference loss / (gain)	-	-
Profit (-) / Loss (+) on sale of Investments	-	-
Profit (-) / Loss (+) on sale of Assets	(464.08)	(1,028.93)
Operative Profit before Working Capital Changes	770.91	702.91
Adjustment for net change in:		
Trade and Other Receivables	71.10	(639.52)
Inventories	(672.52)	(306.15)
Trade & Other payables	(806.80)	(1,857.66)
Cash generated from operations	(637.30)	(2,100.42)
Direct Taxes	(75.63)	(103.11)
Net Cash Generated from operating activities	(712.93)	(2,203.53)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant & Equipment and Intangible Assets (Net)	(886.22)	(1,320.53)
Sale of Property, Plant & Equipment and Intangible Assets	664.65	1,911.11
Sale/Purchase of Investment (Net)	-	-
Purchase of Investment (Net)	(4,700.00)	(815.24)
Dividend received	7.72	7.39
Interest Received	68.36	9.06
Net Cash used in investing activities	(4,845.49)	(208.22)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Long Term Borrowings	470.24	1,147.23
Proceeds from Short Term Borrowings	659.55	1,243.03
Issue of Equity Shares / Convertible Warrants	4,488.75	5,670.98
Redemption of Preference Shares	-	(1,963.52)
Interest and Financial Charges paid	(574.22)	(483.07)
Net Cash used in financing activities	5,044.32	5,614.65
D. Net change in Cash and cash equivalents (A+B+C)	(514.11)	3,202.90
Cash and Cash Equivalents (Opening)	3,232.69	29.79
Cash and Cash Equivalents (Closing)	2,718.58	3,232.69

Notes : 1. Figures in brackets represent cash outflows.
2. Previous year figures have been regrouped wherever necessary.
3. Cash and cash equivalents comprises of :

	March 31, 2026	March 31, 2025
Cash on hand	0.26	0.10
Balances with banks	2,718.32	3,232.59
	2,718.58	3,232.69

As per our report of even date
For **Pawan Jain & Associates**
Chartered Accountants

For and on behalf of Board of Directors
For **Kinetic Engineering Limited**

Arun Firodia
(Chairman)
DIN: 00057324

Ajinkya Firodia
(Vice Chairman & Managing Director)
DIN: 00332204

Vinayak Shevade
(Chief Financial Officer)

Chaitanya Mundra
(Company Secretary)

CA Pawan Jain
Partner
Membership Number: 032900
Firm Reg No.: 107867W
Place: Pune
Date: May 29, 2026
UDIN: 26032900RXRRTY9204

KINETIC ENGINEERING LIMITED
D-1 Block, Plot No. 18 / 2, MIDC, Chinchwad, Pune - 411 019
CIN : L35912MH1970PLC014819

Statement of changes in equity for the period ended March 31, 2026

A. Equity share capital	Rs. In Lakhs	
PARTICULARS	Number	Amount
As at April 01, 2024	221.62	2,216.15
Change in equity share capital	12.50	124.96
As at March 31, 2025	234.11	2,341.11
Change in equity share capital	35.00	350.00
As at March 31, 2026	269.11	2,691.11

B. Other equity

PARTICULARS	Preference Shares	Capital Reserve	Securities premium reserve	General reserve	Special Reserve	Share Warrants Application Money	Share Warrant Account	Retained Earnings/Surplus	Other Comprehensive Income	Ind AS Retained Earnings	Total
As at April 01, 2024	2,059.52	3,535.19	13,320.57	8,669.25	0.46	171.00	3,500.00	(23,467.27)	(106.35)	(227.89)	3,783.48
Increase (Decrease)	(2,059.52)	-	1,971.04	0.46	(0.46)	-	-	-	-	-	3,582.52
Profit (Loss) for the year	-	-	-	-	-	-	-	673.33	(19.05)	-	654.28
Changes during the year	(2,059.52)	-	1,971.04	0.46	(0.46)	-	-	673.33	(19.05)	-	4,236.80
Balance as at March 31, 2025	-	3,535.19	15,291.61	8,669.70	-	171.00	3,500.00	(22,793.94)	(125.40)	(227.89)	8,020.28
As at April 01, 2025	-	3,535.19	15,291.61	8,669.70	-	171.00	3,500.00	(22,793.94)	(125.40)	(227.89)	8,020.28
Increase (Decrease)	-	-	5,635.00	-	-	(171.00)	(1,325.25)	-	-	-	4,138.75
Profit (Loss) for the year	-	-	-	-	-	-	-	230.81	4.78	-	235.59
Changes during the year	-	-	5,635.00	-	-	(171.00)	(1,325.25)	230.81	4.78	-	4,374.34
Balance as at March 31, 2026	-	3,535.19	20,926.61	8,669.70	-	-	2,174.75	(22,563.12)	(120.62)	(227.89)	12,394.61

The above statement of changes in equity should be read in conjunction with the accompanying notes.

As per our report of even date
For **Pawan Jain And Associates**
Chartered Accountants

For and on behalf of Board of Directors
For **Kinetic Engineering Limited**

CA Pawan Jain
Partner
Membership Number: 032900
Firm Reg No.: 107867W
Place: Pune
Date: May 29, 2026
UDIN: 26032900RXRRTY9204

Arun Firodia
(Chairman)
DIN: 00057324

Ajinkya Firodia
(Vice Chairman & Managing Director)
DIN: 00332204

Vinayak Shevade
(Chief Financial Officer)

Chaitanya Mundra
(Company Secretary)

Kinetic Engineering Limited

D-1 Block, Plot No. 18 / 2, MIDC, Chinchwad, Pune - 411 019

CIN : L35912MH1970PLC014819

Notes to Financial Statements for the year ended March 31, 2026

Note - 1 : The Corporate Overview

Kinetic Engineering Limited ('the company') is a public limited company domiciled in India and incorporated under the provisions of Indian Companies Act. The Registered Office of the Company is situated at D-1 Block, Plot No. 18/2, MIDC, Chinchwad, Pune. The company's ordinary shares are listed on the Bombay Stock Exchange.

The company is engaged in the manufacturing and supply of automotive components. The company caters to both domestic and international markets.

Note - 2 : Significant Accounting Policies

2.1 Statement of compliance

The financial statements of the company comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The financial statements were authorised for issue by the Board of Directors at its meeting held on May 29, 2026.

2.2 Basis of preparation

The financial statements have been prepared on a historical cost basis, except certain financial instruments and defined benefit plans, which are measured at fair value.

2.3 Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is the company's functional currency. All amounts have been rounded-off to the nearest Lakhs, unless otherwise stated.

2.4 Significant accounting judgments, estimates and assumptions

The preparation of the financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions which affect the reported amounts of revenue, expenses, current assets, non-current assets, current liabilities, non-current liabilities and disclosure of the contingent liabilities at the end of each reporting period. Actual estimates may differ from these estimates.

Detailed information about each of these estimates and judgements is included in relevant notes.

The areas involving critical estimates and judgements are:

Estimation of current tax expense and payable – Note 14

Estimation of defined benefit obligation – Note 19 & Note 25

Recognition of revenue – Note 26

Recognition of deferred tax assets for carried forward tax losses – Note 6

Useful lives of property, plant and equipment – Note 3 & Point 2.8 under Accounting policy.

Estimation and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

2.5 Current versus non-current classification

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

An asset is current when:

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

It is held primarily for the purpose of trading;

It is expected to be realised within twelve months after the reporting period; or

It is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

It is expected to be settled in normal operating cycle;

It is held primarily for the purpose of trading;

It is due to be settled within twelve months after the reporting period; or

There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

2.6 Revenue recognition

Effective April 1, 2018, the Company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The standard is applied by the company prospectively and the comparative information in the statement of profit and loss is not restated – i.e. the comparative information continues to be reported under Ind AS 18 and Ind AS 11. The impact of the adoption of the standard on the financial statements of the Company is insignificant.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Dividend income is recorded when the right to receive payment is established. Interest income is recognised using the effective interest method.

Export benefits in the form of Duty Draw Back/ Merchandise Exports Incentive Scheme (MEIS) claims are recognised in the statement of profit and loss on receipt basis.

2.7 Inventories

Inventories are stated at the lower of cost and net realisable value. However, materials and other items held for use in the production of inventories are not written down below cost, if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is ascertained on a weighted average basis.

Cost of raw materials, components, stores and spares comprises cost of purchases. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated based on normal operating capacity. Cost of inventories also includes all other costs incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

2.8 Property, plant and equipment (PPE)

Recognition and measurement

Property, plant and equipment are stated at cost comprising of purchase price and any initial directly attributable cost of bringing the asset to its working condition for its intended use, less accumulated depreciation (other than freehold land) and impairment loss, if any. Borrowing costs directly attributable to the construction of a qualifying asset are capitalised as part of the cost.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the company and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in the statement of profit and loss as incurred.

Disposal

The gain or loss arising on disposal of an item of property, plant and equipment is determined as the difference between sale proceeds and carrying value of such item, and is recognised in the statement of profit and loss.

Depreciation

Depreciation is calculated over the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

On PPE acquired on or before 31st March 2000: Depreciation is recognised in the statement of profit and loss on a written down value basis over the estimated useful lives of each part of an item of property, plant and equipment as prescribed in Schedule II of the Companies Act, 2013, as assessed by the management of the company based on technical evaluation.

On PPE acquired after 31st March 2000: Depreciation is recognised in the statement of profit and loss on a straight line basis over the estimated useful lives of each part of an item of property, plant and equipment as prescribed in Schedule II of the Companies Act, 2013, as assessed by the management of the company based on technical evaluation.

Freehold land is not depreciated.

The property, plant and equipment acquired under finance leases is depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the company will obtain ownership by the end of the lease term.

The estimated useful lives for main categories of property, plant and equipments are:

Category	Useful life
Building	30 to 60 years
Plant and Machinery	15 to 25 years
Electrical installation and Fittings	10 years
Dies, Jigs & Fixtures	10 to 15 years
Furniture and Fixtures	8 to 10 years
Office Equipments	3 to 5 years
Vehicles	8 to 10 years

2.9 Intangible assets

Recognition and measurement

Intangible assets are recognised when the asset is identifiable, is within the control of the company, it is probable that the future economic benefits that are attributable to the asset will flow to the company and cost of the asset can be reliably measured.

Expenditure on research activities is recognised in the statement of profit and loss as incurred. Development expenditure is capitalised only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the company intends to and has sufficient resources to complete development and to use or sell the asset.

Subsequent measurement

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

Amortisation

Amortisation is calculated over the cost of the asset, or other amount substituted for cost, less its residual value. Amortisation is recognised in statement of profit and loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

The estimated useful lives are as follows:

Asset	Useful life
Software	4 Years

2.10 Investment property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the company, is classified as investment property.

Investment property is measured at cost less accumulated depreciation.

2.11 Impairment of tangible and intangible assets

Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

2.12 Foreign currency transactions and balances

Transactions in foreign currency are recorded at exchange rates prevailing at the date of transactions. Exchange differences arising on foreign exchange transactions settled during the year are recognised in the statement of profit and loss of the year.

Monetary assets and liabilities denominated in foreign currencies which are outstanding, as at the reporting period are translated at the closing exchange rates and the resultant exchange differences are recognised in the statement of profit and loss.

Non-monetary assets and liabilities denominated in foreign currencies that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction.

2.13 Employee benefits

Short-term employee benefits

Employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits and are recognised in the period in which the employee renders the related service. A liability is recognised for the amount expected to be paid when there is a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined contribution plans

Contributions to defined contribution plans are recognised as expense when employees have rendered services entitling them to such benefits.

Defined benefit plans

The employees' gratuity scheme is a defined benefit plan. The present value of the obligation under such defined benefit plans is determined based on actuarial valuation using the projected unit credit method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans, is based on the market yields on government securities as at the reporting date, having maturity periods approximating to the terms of related obligations.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income (OCI) in the period in which they occur. Remeasurements are not reclassified to the statement of profit and loss in subsequent periods.

In case of funded plans, the fair value of the plan's assets is reduced from the gross obligation under the defined benefit plans, to recognise the obligation on net basis.

When the benefits of the plan are changed or when a plan is curtailed, the resulting change in benefits that relates to past service or the gain or loss on curtailment is recognised immediately in the statement of profit and loss. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The company recognises gains/ losses on settlement of a defined plan when the settlement occurs.

Compensated absences

The liabilities for earned leave are not expected to be settled wholly within twelve months after the end of the reporting period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method as determined by actuarial valuation. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating the terms of the related obligation. Remeasurements as a result of experience adjustments and change in actuarial assumptions are recognised in the statement of profit and loss. The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

Termination benefits

Termination benefits are expensed at the earlier of when the company can no longer withdraw the offer of those benefits and when the company recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the reporting date, then they are discounted.

2.14 Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Company as a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the company is classified as a finance lease.

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased asset or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term unless the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases or another systematic basis is available.

Company as lessor

Leases in which the company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease unless the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases or another systematic basis is available. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the company's net investment in the leases. Finance lease income is allocated to accounting periods to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

2.15 Borrowing costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. All other borrowing costs are expensed in the period in which they are incurred.

2.16 Income tax

Income tax expense comprises current and deferred tax. It is recognised in the statement of profit and loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted, at the reporting date in the country where the company operates and generates taxable income. Current tax assets and liabilities are offset only if there is a legally enforceable right to set it off the recognised amounts and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Minimum Alternate Tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The company recognises MAT credit available as an asset only to the extent that there is convincing evidence that the company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. The company reviews the 'MAT credit entitlement' asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the specified period.

Deferred tax

Deferred tax is provided using the balance sheet method on temporary differences between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;

Taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

2.17 Financial instruments

Financial assets and liabilities are recognised when the company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.

Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless they are measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in statement of profit and loss.

Financial liabilities

Financial liabilities are measured at amortised cost using the effective interest method.

Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received net of direct issue cost.

Offsetting of financial instruments

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

Impairment of financial assets

The company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the assets carried at amortised cost and FVTOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 35 details how the company determines whether there has been a significant increase in credit risk.

For trade receivables only, the company applies the simplified approach permitted by 'Ind AS 109 - Financial instruments', which requires expected lifetime losses to be recognised from initial recognition of the receivables.

2.18 Fair value measurement

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities based on the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as;

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

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

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

2.19 Provisions and contingencies

A **provision** is recognised when the company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the financial statements.

2.20 Earnings per share (EPS)

Basic earnings per share is computed by dividing profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year.

2.21 Cash dividend to equity holders

The company recognises a liability to make cash distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

2.22 Government grant

Government grants are recognised at their fair value when there is a reasonable assurance that the grant will be received and company will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the statement of profit and loss over the period necessary to match them with costs that they are intended to compensate and presented within other income.

Government grants relating to purchase of property, plant and equipment are initially recognised as deferred income at fair value and subsequently recognised in the statement of profit and loss on a systematic basis over the useful life of the asset.

Gross block includes revaluation of assets made in terms of scheme of Arrangement approved by Bombay High court as under

a) Free Hold Land	2,021
c) Building	2,169
e) Lease hold land	441

Note: Refer note no. 2.8 of Significant accounting policies.

Particulars	Book Value		Market Value	
	As at 31st March		As at 31st March	
	2026	2025	2026	2025
1 Unquoted	7,422.10	2,714.83	NA	NA
2 Quoted	0.77	0.77	1.99	2.29
	7,422.87	2,715.60	1.99	2.29

KINETIC ENGINEERING LIMITED

D-1 Block, Plot No. 18 / 2, MIDC, Chinchwad, Pune - 411 019

CIN : L35912MH1970PLC014819

Notes to financial statements for the period ended March 31, 2026

PARTICULARS	Rs. in Lakhs	
	March 31, 2026	March 31, 2025
Note - 5 : Other Non Current Financial Asset		
(a) Security Deposits		
Unsecured, considered good	126.98	79.14
Doubtful	-	-
	126.98	79.14
Less: Provision for doubtful deposits	-	-
	126.98	79.14
(b) Other Loans and advances		
(i) Others loans		
Loans Receivables considered good – Unsecured;	39.33	38.84
– Doubtful	-	-
	39.33	38.84
Less: Allowance for bad & doubtful loans	-	-
	39.33	38.84
(ii) Bills Receivable (Refer Note-40 for details)	206.65	206.65
Total	372.96	324.63

No loans are due by directors or other officers of the company either severally or jointly with any other person, nor any loan amounts due by firms or private companies respectively in which any director is a partner or a director or a member.

Note - 6 : Deferred tax assets (Net)

Deferred tax liability		
(i) On accumulated depreciation	461.84	461.84
(ii) On other timing differences	-	-
Deferred tax liability (A)	461.84	461.84
Deferred tax assets		
(i) On disallowance under Section 43B & 40A of Income Tax Act,1961	461.84	461.84
(ii) On provision for doubtful debts	-	-
(iii) On carried forward loss under Income Tax Act,1961	-	-
Deferred tax assets (B)	461.84	461.84

Note - 7 : Other Non Current Assets

(a) Capital Advances		
Unsecured, considered good	36.81	38.14
Doubtful	-	-
	36.81	38.14
Less: Provision for doubtful advances	-	-
	36.81	38.14
(b) Advances other than capital advances		
Other advances	23.77	22.18
Total	60.58	60.33

KINETIC ENGINEERING LIMITED

D-1 Block, Plot No. 18 / 2, MIDC, Chinchwad, Pune - 411 019

CIN : L35912MH1970PLC014819

Notes to financial statements for the period ended March 31, 2026

PARTICULARS	Rs. in Lakhs	
	March 31, 2026	March 31, 2025
Note - 8 : Inventories		
(i) Raw Materials	605.06	598.00
(ii) Work-in-progress	3,749.15	3,225.66
(iii) Finished goods	-	-
(iv) Stores and spares	1,726.86	1,584.89
Total	6,081.07	5,408.55

Note : Refer note 2.7 under significant accounting policies

Note - 9 : Trade Receivables

(i) Trade Receivables considered good – Unsecured;	3,552.90	3,774.75
	3,552.90	3,774.75
Less Allowance for doubtful debts	(14.76)	(14.76)
Total	3,538.14	3,759.99

No trade receivables are due from directors or other officers of the company either severally or jointly with any other person, nor any trade receivables are due by firms or private companies respectively in which any director is a partner or a member.

Aging Schedule as on March 31, 2026

Particulars	Less than 6	6 Months- 1 Year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables – considered good	2,918.67	388.25	20.13	52.13	158.96	3538.14
Undisputed Trade receivables – considered doubtful	-	-	-	-	-	-
Disputed Trade Receivables – considered good	-	-	-	-	-	-
Disputed Trade Receivables – considered doubtful	-	-	-	-	-	-

Aging Schedule as on March 31, 2025

Particulars	Less than 6	6 Months- 1 Year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables – considered good	3485.19	20.27	62.91	77.86	113.76	3759.99
Undisputed Trade receivables – considered doubtful	-	-	-	-	-	-
Disputed Trade Receivables – considered good	-	-	-	-	-	-
Disputed Trade Receivables – considered doubtful	-	-	-	-	-	-

Note - 10 : Cash and cash equivalents

(i) Balance with Banks	340.82	1,731.71
(ii) Cash on hand	0.26	0.10
(iii) Others		
Fixed deposits	2,377.50	1,500.89
Total	2,718.58	3,232.69

Note - 11 : Other Bank Balances

(i) Fixed deposits	44.01	53.83
Total	44.01	53.83

KINETIC ENGINEERING LIMITED

D-1 Block, Plot No. 18 / 2, MIDC, Chinchwad, Pune - 411 019
CIN : L35912MH1970PLC014819

Notes to financial statements for the period ended March 31, 2026

		Rs. in Lakhs	
PARTICULARS		March 31, 2026	March 31, 2025
Note - 12 : Current Loans			
(i) Others			
Deposits with Govt. authorities		3.65	3.65
		3.65	3.65
Less Allowance for bad and doubtful loans		-	-
Total		3.65	3.65

No loans are due by directors or other officers of the company either severally or jointly with any other person, nor any loan amounts due by firms or private companies respectively in which any director is a partner or a director or a member.

Note - 13 : Other Current Financial Assets

(i) Interest Accrued on Investments & Deposits	8.66	1.29
(ii) Receivable of Sale of Undertaking	-	-
Total	8.66	1.29

Note - 14 : Current Tax Assets(Net)

(i) Advance Income tax net of provision	240.73	165.10
Total	240.73	165.10

Note - 15 : Other Current Assets

(i) Advances to suppliers and others		
Unsecured, considered good	206.55	95.88
Doubtful	-	-
	206.55	95.88
Less Provision for doubtful advances	-	-
Total	206.55	95.88

KINETIC ENGINEERING LIMITED

D-1 Block, Plot No. 18 / 2, MIDC, Chinchwad, Pune - 411 019
CIN : L35912MH1970PLC014819

Notes to financial statements for the period ended March 31, 2026

Note - 16 : Share Capital

A. Authorised Share Capital

(i) Equity Share Capital	Number	Rs. In Lakhs
Authorised shares as at April 01, 2025	5,30,13,932	5,301.39
Increase/(decrease) during the year	-	-
Total shares authorised as at March 31, 2026	5,30,13,932	5,301.39
Increase/(decrease) during the year	-	-
Total authorised Equity share capital as at March 31, 2026	5,30,13,932	5,301.39

(ii) Preference Share Capital	Number	Rs. In Lakhs
Authorised shares as at April 01, 2025	12,48,08,399	14,289.43
Increase/(decrease) during the year	-	-
Total shares authorised as at March 31, 2026	12,48,08,399	14,289.43
Increase/(decrease) during the year	-	-
Total authorised Preference share capital as at March 31, 2026	12,48,08,399	14,289.43
Total authorised Share capital as at March 31, 2026	17,78,22,331	19,590.83

B. Issued, Subscribed & fully Paid Up Share Capital *

(i) Equity Share Capital	Number	Rs. In Lakhs
Balance as at April 01, 2024	2,21,61,500	2,216.15
Changes during the period	12,49,591	124.96
Balance as at March 31, 2025	2,34,11,091	2,341.11
Changes during the period	35,00,000	350.00
Balance as at March 31, 2026	2,69,11,091	2,691.11

* On March 14, 2021, the Members of the Company approved the issuance of 17,70,862 Equity Shares upon conversion of the loan into Equity Shares. However, only 12,88,569 Equity Shares were subsequently allotted. Accordingly, a difference of 4,82,293 Equity Shares arose between the Equity Shares approved for issuance and the Equity Shares actually allotted, resulting in a corresponding difference in the issued share capital.

C. Details of equity shareholders holding more than 5% shares

Name of shareholder	March 31, 2026		March 31, 2025	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Jayashree A. Firodia	39,25,222	14.59%	39,25,222	16.77%
Microage Instruments pvt ltd.	55,22,993	20.52%	55,22,993	23.59%
Ashoka Investment Holdings Limited	8,81,617	3.28%	13,30,935	5.69%
Ajinkya Arun Firodia	26,42,624	9.82%	26,42,624	11.29%
Jayashree Firodia Trust	32,55,058	12.10%	17,05,058	7.28%
Arun Firodia Trust	19,72,800	7.33%	-	-

D. Terms/rights attached to equity shares

The company has only one class of equity shares, having par value of Rs. 10 per share. Each holder of equity share is entitled for one vote per share and has a right to receive dividend, as recommended by the board of directors subject to the necessary approval from the shareholders. 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. Disclosure of Shareholding of Promoters as under:

Shares held by promoters at the end of the year					% Change during the year with reference to shares held at the beginning of the year
Sr. No	Promoter name	% of total shares as on 31.03.2026	No. of Shares as on 31.03.2026	No. of Shares as on 31.03.2025	
1	Jayashree Arun Firodia	14.59%	39,25,222	39,25,222	-
2	Ajinkya Arun Firodia	9.82%	26,42,624	26,42,624	-
3	Arun Hastimal Firodia	0.68%	1,82,963	32,963	455.06%
4	Sulaja Firodia Motwani	0.00%	616	616	-
5	Jayashree Firodia Trust	12.10%	32,55,058	17,05,058	90.91%
6	Arun Firodia Trust	7.33%	19,72,800	5,72,800	244.41%
7	Micro Age Instruments Pvt Ltd	20.52%	55,22,993	55,22,993	-

F. Allotments of Warrants

Last year the company issued 1,03,56,725 convertible warrants at Rs. 171 per warrant, convertible into 1,03,56,725 equity shares of Rs. 10 each at a premium of Rs 161 per share amounting to Rs. 17710 Lakhs. Out of these 97,56,725 convertible warrants were allotted by the Company and balance 6,00,000 warrants were lapsed. Out of allotted warrants, 11,69,591 warrants have been converted into equity shares by allottees in last year.

This year out of the warrants issued by the Company, 4,00,000 warrants were converted into equity shares on September 24, 2025 and 31,00,000 warrants were converted into equity shares on March 11, 2026.

Sr no.	Name of the Investors	No. of convertible warrants allotted	Date of Allotment
1	Jayashree Firodia Trust	41,70,057	27-03-2025
2	Arun Firodia Trust	38,22,800	27-03-2025
3	Arun Hastimal Firodia	13,63,868	27-03-2025
4	Transaction Square LLP	2,00,000	09-04-2025
5	Sai Geeta Penumetsa	2,00,000	09-04-2025
	Total	97,56,725	

The name of the allottees of Equity Shares pursuant to Conversion of Warrants

Sr no.	Name of Allottees	No. of equity shares allotted
1	Transaction Square LLP	2,00,000
2	Sai Geeta Penumetsa	2,00,000
3	Arun Haastimal Firodia	1,50,000
4	Jayashree Firodia Trust	15,50,000
5	Arun Firodia Trust	14,00,000
	Total	35,00,000

Utilisation Plan :-

Sr no.	Item head	Original Amounts (as per the Offer Document) in Rs. Lakhs	Revised Amounts in Rs. Lakhs (BR Dt 13/05/2025)	Revised Amounts in Rs. Lakhs (BR Dt 11/03/2026)
1	Redemption of Preference Shares	1,964	1,964	1,964
2	Payment of Overdue Liabilities	536	536	482
3	Investment in Subsidiary Company	12,000	12,000	12,000
4	Capex including Solar Project	1,200	1,200	700
5	Working Capital Requirements	1,010	800	1,354
6	General Corporate Purpose	1,000	184	184
	Total	17,710	16,684	16,684

Actual money received upto March 31, 2026 and Utilisation thereof

Actual money received upto March 31, 2026 : - Rs 10160 Lakhs

Sr no.	Utilisation	Amount in Lakhs
1	Redemption of Preference Shares	1,964
2	Payment of Overdue Liabilities	482
3	Investment in Subsidiary Company	4,200
4	Working Capital Requirement	803
5	Unutilized proceeds	2,711
	Total	10,160

Deployment of unutilized proceeds

Sr no.	Deployment	Amount in Lakhs
1	FD with saraswat bank	2,377
2	Dedicated Monitoring Account	334
	Total	2,711

Note 17 : Other Equity

PARTICULARS	March 31, 2026	Rs. in Lakhs March 31, 2025
A. PREFERENCE SHARE CAPITAL		
a) 1,02,000 Optionally Convertible Cumulative Preference Shares of Rs. 156/- each	-	-
b) 3,20,500 Redeemable Cumulative Preference Shares of Rs. 156/- each.	-	-
c) 8,30,154 Optionally Convertible Cumulative Preference Shares of Rs. 65/- each	-	-
d) 11,76,650 8.5% New Optionally Convertible Cumulative Preference Shares of Rs. 65/- each	-	-
e) 80,000 Optionally Convertible Cumulative Preferences Shares of Rs. 170 each	-	-
f) 12,22,99,095 Preferences Shares of Rs. 10 each	-	-
Total	-	-
Note : The company has redeemed preference shares of Rs. 1963.52 Lakhs using the proceeds from warrants.		
B. Capital Reserves		
Opening Balance	3,535.19	3,535.19
(+)/(-) Transfer	-	-
Closing Balance	3,535.19	3,535.19
C. Securities Premium Account		
Opening Balance	15,291.61	13,320.57
(+)/(-) Transfer	5,635.00	1,971.04
Closing Balance	20,926.61	15,291.61
D. General Reserve		
Opening balance	8,669.70	8,669.25
(+)/(-) Transfer	-	0.46
Closing Balance	8,669.70	8,669.70
E. Special Reserve		
Opening balance	-	0.46
(+)/(-) Transfer	-	-0.46
Closing Balance	-	-
F. Warrant Application Money		
Opening balance	171.00	-
(+)/(-) Transfer	-171.00	171.00
Closing Balance	-	171.00
G. Share Warrant Account		
Opening balance	3,500.00	-
(+)/(-) Transfer	(1,325.25)	3,500.00
Closing Balance	2,174.75	3,500.00
H. Surplus		
Opening balance	(23,147.24)	(23,801.52)
(+) Ind AS Retained Earnings Promoters Loan Repaid	-	-
Other Comprehensive Income	-	-
(+) Net Profit / (Net Loss) for the current year	230.81	673.33
(+) Fair Value revaluation balance of Investment sold	-	-
(+) Re-measurement of net defined benefit plan	4.78	(19.05)
Closing Balance	(22,911.65)	(23,147.24)
Total (A+B+C+D+E+F+G+H)	12,394.61	8,020.27

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Notes to financial statements for the period ended March 31, 2026

PARTICULARS	Rs. in Lakhs	
	March 31, 2026	March 31, 2025
Note - 18 : Non Current Borrowings		
(a) Term Loans		
i) From Banks - Secured	4,525.55	4,062.85
ii) From other parties		
Unsecured		
(a) Loans from related parties	50.00	50.00
(b) Term Loans from Others	158.59	258.59
Total	4,734.14	4,371.43

Term Loans are secured by hypothecation, by way of exclusive first charge on specific asset, being movable properties, secured as a continuing security for the repayment of Term loans together with interest. The term loans are repayable over a period upto ten years, including moratorium.

Note - 19 : Non Current Provisions

Provision for employee benefits :

(a) Gratuity	193.42	147.48
(b) Leave Encashment	32.86	29.74
Total	226.28	177.22

Note - 20 : Other Non Current Liabilities

(a) Others		
(i) Remeasurement of Long Term Liabilities	-	-
(ii) Payable to Related Party	-	-
Total	-	-

Note - 21 : Current Borrowings

Loans repayable on demand

Secured

(a) Cash Credit Facility from Banks	1,850.72	1,463.15
-------------------------------------	----------	----------

Other Loans

Unsecured

(a) Overdraft Facility from Banks	-	-
(b) Short Term Loan From Bank	472.80	200.82
Total	2,323.52	1,663.97

Cash credit from banks are repayable on demand and are secured by hypothecation of Stock and Debtors and pari-passu second charge on factory land and building at Ahmednagar.

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Notes to financial statements for the period ended March 31, 2026

PARTICULARS	Rs. in Lakh	
	March 31, 2026	March 31, 2025
Note - 22 : Trade payables		
Unsecured :		
(a) Trade payables	3,839.01	4,015.10
Total	3,839.01	4,015.10

Aging Schedule as on March 31, 2026

Particulars	Less than 6 months	6 months - 1 year	1 - 2 years	2 -3 years	More than 3 years	Total
Micro, Small & Medium Enterprises	134.41	41.94	9.12	7.15	-	192.62
Creditors other than MSME	3029.77	505.40	111.22	-	-	3646.39

Aging Schedule as on March 31, 2025

Particulars	Less than 6 months	6 months - 1 year	1 - 2 years	2 -3 years	More than 3 years	Total
Micro,Small & Medium Enterprises	152.72	63.00	11.13	-	-	226.85
Creditors other than MSME	3291.29	390.08	106.87	-	-	3788.24

Note - 23 : Other Current Financial Liabilities

(a) Current maturities of long-term debt	224.40	107.35
(b) Interest accrued and due on borrowings		
(c) Interest accrued but not due on borrowings	3.28	4.52
(d) Other payables		
(i) Premium payable on Redemption of Debentures	-	-
(ii) Capital Creditors	-	-
(iii) Other Liabilities	239.95	249.99
Total	467.63	361.86

Note - 24 : Other Current Liabilities

(a) Other payables		
(i) Advance against Sales	1.03	1.03
(ii) Advance against Sales of Assets	9.13	667.13
(iii) Other Liabilities	58.80	54.68
Total	68.96	722.84

Note - 25 : Current Provisions

Provision for employee benefits :

(a) Gratuity	256.24	261.70
(b) Leave Encashment	23.06	33.45
Total	279.30	295.15

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Notes to financial statements for the period ended March 31, 2026

25.1 Employee benefits

a) Defined contribution plans

(i) Provident fund

The Company operates plan for its employees to provide employee benefits in the nature of "Provident fund" and "Employee Pension Schemes". Contributions are made at the rate as prescribed in the regulations. The Company has recognised following amount in the statement of profit and loss:

Particulars	Rs. in Lakhs	
	March 31, 2026	March 31, 2025
Provident fund	52.00	54.07
Employees Pension Scheme	63.95	63.31
Total	115.95	117.38

b) Defined benefit plan

(i) Gratuity

In accordance with the Payment of Gratuity Act, 1972, the Company is required to provide post-employment benefit to its employees in the form of gratuity. The Company has maintained a fund with Reliance Nippon Life Insurance Company Limited of India, to meet its gratuity obligations. In accordance with the Standard, the disclosures relating to the Company's gratuity plan are provided below:

Particulars	March 31, 2026	March 31, 2025
Gratuity		
Non-current	193.42	147.48
Current	256.24	261.70
Total	449.66	409.18

The changes in the present value of defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows:

Particulars	March 31, 2026	March 31, 2025
Present value of obligation as at the beginning of the period	407.80	481.16
Interest cost	25.26	29.63
Past service Cost - Gratuity	75.51	0.00
Current service cost	25.70	16.82
Benefits paid	(61.38)	(139.14)
Remeasurements on obligation - (gain) / loss	(5.61)	19.32
Present value of obligation as at the end of the period	467.28	407.80

The changes in the fair value of planned assets representing reconciliation of opening and closing balances thereof are as follows:

Particulars	March 31, 2026	March 31, 2025
Fair value of plan assets at the beginning of the period	30.42	28.48
Adjustment to opening funds		
Interest income	2.04	2.05
Contributions	-	-
Benefits paid	-	-
Monthly charges and Taxes	(0.30)	(0.38)
Transfer In / (Out)	-	-
Return on plan assets, excluding amount recognized in interest income - gain / (loss)	(0.83)	0.27
Fair value of plan assets as at the end of the period	31.33	30.42

Amounts recognised in the balance sheet are as follows:

Particulars	March 31, 2026	March 31, 2025
Present value of obligation as at the end of the period	467.28	407.80
Fair value of plan assets as at the end of the period	31.32	30.42
Surplus / (deficit)	(435.96)	(377.38)

Amounts recognised in the statement of profit and loss are as follows:

Particulars	March 31, 2026	March 31, 2025
Current service cost	25.70	16.82
Net interest (income) / expense	23.23	27.58
Net periodic benefit cost recognised in the statement of profit and loss	48.93	44.40

Amounts recognised in the statement of other comprehensive income (OCI) are as follows:

Particulars	March 31, 2026	March 31, 2025
Remeasurement for the year - obligation (gain) / loss	(5.61)	19.32
Remeasurement for the year - plan assets (gain) / loss	0.83	(0.27)
Total remeasurements cost / (credit) for the year	(4.78)	19.05

Net interest (income) / expense recognised in statement of profit and loss are as follows:

Particulars	March 31, 2026	March 31, 2025
Interest (income) / expense - obligation	25.27	29.63
Interest (income) / expense - plan assets	(2.04)	(2.05)
Net interest (income) / expense for the year	23.23	27.58

Principal actuarial assumptions used in determining gratuity benefit obligations for the Company's plans are as follows:

Particulars	March 31, 2026	March 31, 2025
Discount rate	7.20%	6.70%
Rate of increase in compensation levels	3.00%	3.00%
Expected rate of return on plan assets	6.70%	7.20%
Expected average remaining working lives of employees (in years)	6.83	7.51
Withdrawal rate		
Age upto 30 years	10.00%	10.00%
Age 31 - 40 years	10.00%	10.00%
Age 41 - 50 years	10.00%	10.00%
Age above 50 years	10.00%	10.00%

* It is actuarially calculated term of the liability using probabilities of death, withdrawal and retirement.

A quantitative sensitivity analysis for significant assumptions are shown as follows:

Sensitivity analysis indicates the influence of a reasonable change in certain significant assumptions on the outcome of the present value of obligation (PVO) and aids in understanding the uncertainty of reported amounts. Sensitivity analysis is done by varying (increasing/ decreasing) one parameter by 100 basis points (1%) at a time:

a) Impact of change in discount rate when base assumption is decreased / increased by 100 basis point

Discount rate	Present value of obligation	
	March 31, 2026	March 31, 2025
Decrease by 1%	480.07	417.31
Increase by 1%	455.69	399.13

b) Impact of change in salary increase rate when base assumption is decreased / increased by 100 basis point

Salary increment rate	Present value of obligation	
	March 31, 2026	March 31, 2025
Decrease by 1%	457.43	400.86
Increase by 1%	477.98	415.31

c) Impact of change in withdrawal rate when base assumption is decreased / increased by 100 basis point

Withdrawal rate	Present value of obligation	
	March 31, 2026	March 31, 2025
Decrease by 1%	464.13	405.94
Increase by 1%	470.16	409.50

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Notes to financial statements for the period ended March 31, 2026

PARTICULARS	Rs. in Lakhs	
	March 31, 2026	March 31, 2025
Note - 26 : Revenue from operations		
(a) Sale of Products	14,975.23	14,193.21
(b) Machining and Processing Receipts	14.74	19.51
(c) Other operating revenue	41.48	33.74
Total	15,031.44	14,246.45
Note - 27 : Other income		
(a) Interest Income		
(i) On Fixed Deposits	71.27	3.57
(ii) From Others	4.45	4.03
(b) Dividend Income from:		
(i) Long Term Investment	7.72	7.39
(ii) Short Term Investment		
(c) Profit / (Loss) on sale of Assets	464.08	1,028.93
(d) Profit / (Loss) on sale of Investments		
(e) Sundry Credit Balances Written Back	-	-
(f) Excess Provision Written Back		
(g) Amortisation of deferred financial assistance		
(i) From related parties	-	-
(ii) From others	-	33.20
(h) Fair Valuation (Gain)/Loss on Investments	7.00	14.25
(i) Others	244.05	159.24
Total	798.57	1,250.62
Note - 28 : Cost of material consumed		
(a) Raw Material Consumed	6,729.65	6,378.33
(b) Stores and Spares Consumed	1,085.48	994.11
(c) Fabrication and Processing Charges	500.74	390.35
(d) Freight, Octroi and Forwarding Charges	87.52	78.43
Total	8,403.40	7,841.22
Note - 29 : Changes in inventories of finished goods and work-in-progress		
Inventory at the end of the year		
(a) Finished Goods		
(b) Work-In- Progress	3,749.15	3,225.66
Total	3,749.15	3,225.66
Inventory at the beginning of the year		
(a) Finished Goods		
(b) Work-In- Progress	3,225.66	3,131.13
Total	3,225.66	3,131.13
Increase (-) / decrease (+) in inventories	(523.49)	(94.53)

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Notes to financial statements for the period ended March 31, 2026

PARTICULARS	Rs In Lakhs	
	March 31, 2026	March 31, 2025
Note - 30 : Employee benefit expenses		
(a) Salaries & wages	2,071.00	1,913.64
(b) Contributions to provident and other funds	156.82	136.70
(c) Gratuity	49.23	44.78
(d) Staff welfare expenses	170.08	111.85
Total	2,447.13	2,206.96
Note - 31 : Finance costs		
(a) Interest expense	551.09	453.87
(b) Unwinding of Loans		
(i) Related party loans	-	-
(ii) Other loans	9.52	8.38
(c) Other Borrowing Costs	21.89	27.96
Total	582.49	490.21
Note - 32 : Other expenses		
(a) Power & Fuel	1,820.75	1,585.81
(b) Repairs and Maintenance:		
(i) Plant and Machinery	167.27	166.25
(ii) Buildings	10.22	3.66
(iii) Others	11.22	3.24
(c) Contract Labour cost	1,195.88	1,130.04
(d) Rent	10.70	18.00
(e) Outward Freight Charges	223.71	185.19
(f) Packing and Forwarding Charges	96.99	64.60
(g) Legal, Professional & Consultancy Fee	265.60	211.34
(h) Rates and taxes	19.76	17.86
(i) Travelling Expenses	48.09	46.38
(j) Insurance	8.97	28.10
(k) Payments to auditor (Refer details below)	5.74	4.60
(l) Custom Duty Paid (Net)	0.87	1.37
(m) Publicity & Sales Promotion	5.80	6.06
(n) Directors Fees & Travelling Expenses	2.35	2.67
(o) Maintenance Other	46.07	43.26
(p) Miscellaneous Expenses	209.55	250.60
	4,149.56	3,769.03
Less: Expenses Capitalised	42.76	38.96
Total	4,106.81	3,730.08
Details of payments to Auditors		
Audit Fee	3.68	3.20
Tax Audit Fee	0.69	0.60
Limited review and Certification work	0.92	0.80
Total	5.29	4.60

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

Note - 33 : Income Taxes

As per Ind AS 12, an explanation of the relationship between tax expense (income) and accounting profit in either or both of the following forms need to be disclosed:
– a numerical reconciliation between tax expense (income) and the product of accounting profit multiplied by the applicable tax rate, disclosing also the basis on which the applicable tax rate is computed;
or
– a numerical reconciliation between the average effective tax rate and the applicable tax rate, disclosing also the basis on which the applicable tax rate is computed;
The above said reconciliation will not arise in situations where there is accounting losses to taxable Income.

Note - 34 : Financial instruments – Fair values and risk management

March 31, 2026	Carrying amount				Fair value			
	Amortised Cost	FVTPL	FVTOCI	Total	Level 1	Level 2	Level 3	Total
Non-Current Financial Assets								
Investments								
Quoted Equity Instruments	-	-	1.99	1.99	1.99	-	-	1.99
Unquoted Equity Instruments	-	7,032.00	132.15	7,164.15	-	7,164.15	-	7,164.15
Unquoted Preference Shares	-	257.71	-	257.71	-	-	257.71	257.71
Other Financial Assets	-	0.24	-	0.24	-	-	0.24	0.24
Current Financial Assets								
Current Investments	-	-	-	-	-	-	-	-
Trade Receivables	3,538.14	-	-	3,538.14	-	-	-	-
Cash and Cash Equivalents	2,718.58	-	-	2,718.58	-	-	-	-
Other Bank Balances	44.01	-	-	44.01	-	-	-	-
Loans	3.65	-	-	3.65	-	-	-	-
Other Financial Assets	8.66	-	-	8.66	-	-	-	-
	6,313.04	7,289.95	134.14	13,737.14	1.99	7,164.15	257.95	7,424.09
Non-Current Financial Liabilities								
Borrowings	4,734.14	-	-	4,734.14	-	-	-	-
Current Financial Liabilities								
Borrowings	2,323.52	-	-	2,323.52	-	-	-	-
Trade Payables	3,839.01	-	-	3,839.01	-	-	-	-
Other Financial Liabilities	467.63	-	-	467.63	-	-	-	-
	11,364.29	-	-	11,364.29	-	-	-	-

March 31, 2025	Carrying amount				Fair value			
	Amortised Cost	FVTPL	FVTOCI	Total	Level 1	Level 2	Level 3	Total
Non-Current Financial Assets								
Investments								
Quoted Equity Instruments	-	-	2.29	2.29	2.29	-	-	2.29
Unquoted Equity Instruments	-	2,332.00	124.87	2,456.87	-	2,456.87	-	2,456.87
Unquoted Preference Shares	-	257.71	-	257.71	-	-	257.71	257.71
Other Financial Assets	-	0.24	-	0.24	-	-	0.24	0.24
Current Financial Assets								
Current Investments	-	-	-	-	-	-	-	-
Trade Receivables	3,759.99	-	-	3,759.99	-	-	-	-
Cash and Cash Equivalents	3,232.69	-	-	3,232.69	-	-	-	-
Other Bank Balances	53.83	-	-	53.83	-	-	-	-
Loans	3.65	-	-	3.65	-	-	-	-
Other Financial Assets	1.29	-	-	1.29	-	-	-	-
	7,051.46	2,589.95	127.17	9,768.58	2.29	2,456.87	257.95	2,717.12
Non-Current Financial Liabilities								
Borrowings	4,371.43	-	-	4,371.43	-	-	-	-
Current Financial Liabilities								
Borrowings	1,663.97	-	-	1,663.97	-	-	-	-
Trade Payables	4,015.10	-	-	4,015.10	-	-	-	-
Other Financial Liabilities	361.86	-	-	361.86	-	-	-	-
	10,412.36	-	-	10,412.36	-	-	-	-

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of instrument is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

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

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

Note - 35 : Financial risk management

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

- Credit risk ;
- Liquidity risk ; and
- Market risk

(A) Credit risk

Credit risk arises from cash and cash equivalents, deposits with banks, security deposits, as well as credit exposure to outstanding receivables.

Credit risk management

The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and other financial instruments. For banks and other financial institutions, only high rated banks/ financial institutions are accepted. The balances with banks, loans given to employees, security deposits are subject to low credit risk and the risk of default is negligible or nil. Hence, no provision has been made for expected credit loss for credit risk arising from these financial assets.

Trade receivables

Credit risk arises from the possibility that customer will not be able to settle their obligations as and when agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, analysis of historical bad debts, ageing of accounts receivable and forward looking information. Individual credit limits are set accordingly. The credit risk is considered low given the past experience of negligible or minimal write-offs.

The ageing of trade receivables are as follows:

Particulars	Rs. in Lakhs	
	March 31, 2026	March 31, 2025
Not past due date	2,153.97	2,353.17
Past due 1–90 days	656.90	1,002.86
Past due 91–180 days	107.81	129.16
Past due more than 180 days	619.46	274.81
Total Trade receivables	3,538.14	3,759.99

(B) Liquidity risk

Liquidity risk is the risk that the Company may encounter difficulty in meeting its obligations. The Company monitors rolling forecast of its liquidity position on the basis of expected cash flows. The company has obtained fund based / Non-fund based working capital facilities from banks.

Exposure to liquidity risk

The tables below analyse the Company's non-derivative financial liabilities into relevant maturity group based on their contractual maturities:

March 31, 2026	Rs. in Lakhs		
	< 1 year	1 to 3 years	> 3 years
Non-derivative liabilities			
Borrowings	2,323.52	449.33	4,284.81
Trade payables	3,839.01	-	-
Other financial liabilities	467.63	-	-
Total non-derivative liabilities	6,630.15	449.33	4,284.81

March 31, 2025	< 1 year	1 to 3 years	> 3 years
Non-derivative liabilities			
Borrowings	1,663.97	382.63	3,988.80
Trade payables	4,015.10	-	-
Other financial liabilities	361.86	-	-
Total non-derivative liabilities	6,040.93	382.63	3,988.80

(C) Market risk

(i) Foreign currency risk

Foreign currency risk means the risk that the result or economic situation of the Company changes due to changes in exchange rates. The Company is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency which is not the Company's functional currency (INR). The risk is measured through a forecast of highly probably foreign currency cash flows.

(a) The Company's exposure to foreign currency risk at the end of the year are as follows :-

Rs. in Lakhs			
Particulars	Currency	Exposure in F.C.	Exposure in INR
Financial Assets			
Trade receivables	USD		
As at March 31, 2026		14.05	1,269.59
As at March 31, 2025		18.74	1,583.88
Financial Liabilities			
Trade Payables	USD		
As at March 31, 2026		0.11	8.34
As at March 31, 2025		0.03	2.30
Net Exposure as at March 31, 2026		13.94	1,261.25
Net Exposure as at March 31, 2025		18.71	1,581.58

(b) Sensitivity analysis:

Particulars	Rs. in Lakhs	
	Impact on profit before tax	
	March 31, 2026	March 31, 2025
USD sensitivity		
USD/INR - Increase by 5% *	63.06	79.08
USD/INR - Decrease by 5% *	(63.06)	(79.08)

*Holding all other variables constant

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The interest rate risk can also impact the provision for retiral benefits. The Company Interest rate risk is linked to PLR rates therefore subject to interest rate risk, carrying amount and future cash flows will fluctuate because of change in the market interest rates (PLR Rates).

Rs. in Lakhs			
Particulars	Impact on profit before tax		
	March 31, 2026	March 31, 2025	
Change			
25 Basis Points increase	(14.56)	(12.26)	
25 Basis Points decrease	14.56	12.26	

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

Note - 36 : Capital Management

The Company's objective for capital management is to maximize shareholder wealth, safeguard business continuity and support the growth of the Company. The Company determines the capital management requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through optimum mix of borrowed and own funds.

The Company's adjusted net debt to equity position are as follow:

Particulars	Rs. in Lakhs	
	March 31, 2026	March 31, 2025
Net debt	7,057.66	6,035.40
Less: Cash and Cash Equivalents	2,762.60	3,286.53
Less: Current Investments	-	-
Adjusted net (Cash)/Debt	4,295.06	2,748.88
Total equity	15,085.72	10,361.37
Net debt to equity ratio	0.28	0.27

Note - 37 : Segment Reporting

The business activities of the Company from which it earns revenues and incurs expenses; whose operating results are regularly reviewed by the chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available which involves predominantly one operating segment i.e. automotive components.

Note - 38 : Contingencies and commitments

Particulars	Rs. in Lakhs	
	March 31, 2026	March 31, 2025
Contingent Liabilities:		
Claim against Company not acknowledged as debt	10.72	26.07
Other money for which the company is contingently liable		
Income Tax matter under appeal approx	5.75	5.75
Sales Tax matter under appeal	9.17	9.17
Excise Duty in dispute	56.79	111.74
ESIC liability in dispute	1.26	1.26
Labour Cases	37.92	37.92
Entry Tax in dispute	6.19	6.19
Other Compensation Matters	15.00	15.00
Goods & Service tax	32.66	21.47
Commitments :		
Estimated amount of contracts remaining to be executed on capital account and not provided for;	412.17	687.78

Note - 39 : Earnings per share

Particulars	March 31, 2026	March 31, 2025
Basic and diluted earnings per share		
a) Profit after tax attributable to the equity holders of the company (Rs. In Lakhs)	231	673
b) Weighted average number of equity shares outstanding (Nos.)(Basic)	2,37,96,570	2,21,86,456
c) Earnings per share		
- Basic	0.97	3.03
d) Weighted average number of equity shares outstanding (Nos.)(Diluted)	2,42,47,947	2,24,77,369
e) Earnings per share		
- Diluted	0.95	3.00

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

Note - 40 : Company has purchased six bills of exchange and paid **Rs. 206.65 Lakhs** (Rs. 206.65 Lakhs) for the same. These bills have matured but have not been honoured. Company has filed suits in the High Court of Judicature at Bombay.

Note - 41 : In terms of the Notification dated March 31, 2009 by The Ministry of Corporate Affairs amending the erstwhile Ind AS -21 "The Effects of Changes in Foreign Exchange Rates", the company had exercised the option to recognize the exchange difference on long term non-monetary items retrospectively from the accounting period 2007-08. Such exchange differences relating to the acquisition of capital assets are adjusted to the cost of capital and would be depreciated over the balance life of the asset. Exchange difference amounting to **Rs. 125.41 Lakhs** (Rs. 200.24 Lakhs) has been carried in the Fixed Assets as on March 31, 2026.

Note - 42 : Disclosure as required under Micro Small and Medium Enterprises Development Act, 2006

Rs. in Lakhs	
Particulars	March 31, 2026
i. Principal amount remaining unpaid to any supplier as at the end of the accounting year	192.62
ii. Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	8.35
iii. The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-
iv. The amount of interest due and payable for the year	8.35
v. The amount of interest accrued and remaining unpaid at the end of the accounting year	8.35

The information as required to be disclosed under Micro, Small and Medium Enterprises Development Act, 2006 is determined to the extent such parties have been identified on the basis of information made available with the company.

Note - 43 : Related Party Transactions

a) Name of Related Parties

Name of Related Parties

Kinetic Communications Ltd.
Microage Instruments Pvt. Ltd.
Kinetic Hyundai Elevator & Movement Technologies Ltd.
Kinetic Green Energy & Power Solutions Limited.
Kinetic Watts & Volts Limited.

Relation

Group Companies
Group Companies
Group Companies
Entity having common Promoter
Subsidiary

b) Key Management Personnel

Chairman
Vice Chairman & Managing Director
Chief Financial Officer
Company Secretary & Compliance officer
Non-executive Director
Non-executive Non-Independent Director
Independent Directors

Mr. Arun Hastimal Firodia
Mr. Ajinkya Arun Firodia
Mr. Vinayak Jayaam Shevade
Mr. Chaitanya Mundra
Mrs. Jayashree Arun Firodia
Mr. Shashikant Shivanand Gulve
Mr. Jinendra Hirachand Munot
Mr. Rohit Prakash Bafana
Mr. Dattatray Parvati Navale
Mr. Achal Shirish Kotecha
Mr. Venkataiah Madipalli

c) Transactions and balances with related parties have been set out below:

Particulars	Rs. in Lakhs	
	March 31, 2026	March 31, 2025
Kinetic Green Energy & Power Solutions Limited.		
Sales of Goods	892.77	1,312.05
Reimbursement of Expenses	22.41	26.54
Rent Received	232.43	181.57
Purchase of Goods	23.67	32.39
Paint Shop Work	15.70	23.00
Kinetic Hyundai Elevator & Movement Technologies Ltd.		
Dividend Received	7.20	6.91
Kinetic Communication Ltd		
Dividend Received	0.48	0.48
Reimbursement of expenses	0.00	1.77
Sales of Goods	0.00	0.04
Micro Age Instruments Pvt Ltd		
Reimbursement of expenses	6.43	27.90
Electricity Charges Paid (Solar)	87.13	97.37
Kinetic Watts & Volts Ltd		
Sales of Goods	359.96	285.79
Reimbursement of expenses	37.17	9.01
Remuneration to Key Managerial Persons		
Mr. Ajinkya Arun Firodia	113.09	106.10
Mr. Chaitanya Mundra	18.30	17.67
Mr. Vinayak Jayaram Shevade	54.00	6.75
Director Sitting Fee		
Mrs. Jayashree Arun Firodia	0.28	0.35
Mr. Rohit Prakash Bafna	0.41	0.41
Mr. Jinendra Hirachand Munot	0.41	0.46
Mr. Venkataiah Madipalli	0.41	0.55
Mr. Achal Shirish Kotecha	0.31	0.46
Mr. Dattatray Parvati Navale	0.41	0.36
Mr. Shashikant Shivanand Gulve	0.14	-

KINETIC ENGINEERING LIMITED

D-1 Block, Plot No. 18 / 2, MIDC, Chinchwad, Pune - 411 019
CIN : L35912MH1970PLC014819

Notes to financial statements for the period ended March 31, 2026

Note - 44 : Ratios

Sr No	Particulars	Numerator	Denominator	March 31, 2026	March 31, 2025
a)	Current Ratio (Times)	Current Assets	Current Liabilities	1.84	1.80
b)	Debt- Equity Ratio (Times)	Net Debt	Equity	0.28	0.27
c)	Debt Service Coverage Ratio (Times)	PBIDTA	Principal + Interest Repayment of loans during the year	2.02	1.07
d)	Return on Equity Ratio (Percentage)	Net Profit	Average Shareholders' Equity	1.81%	8.23%
e)	Inventory Turnover Ratio (Times)	Cost of Material Consumed	Average Inventory	1.37	1.47
f)	Trade Receivables Turnover Ratio (Times)	Total Sales	Average Trade Receivables	4.12	4.12
g)	Trade Payables Turnover Ratio (Times)	Total Purchases	Average Trade Payables	2.98	2.61
h)	Net Capital Turnover Ratio (Times)	Total Sales	Average working capital	2.61	4.28
i)	Net Profit Ratio (Percentage)	Net Profit	Total Sales	1.54%	4.73%
j)	Return on Capital Employed (Percentage)	PBIDTA	Average Capital Employed	1.34%	5.70%
k)	Return on investment	Profit earned from investment	Total Investment (Avg)	0.29	0.94

Notes:

- Debt Service Coverage Ratio has improved due to lower debt servicing during the current year.
- Return on Equity ratio and Return on Capital Employed ratio has gone down due to increase in equity and reduction in net profit.
- Net Capital Turnover Ratio was impacted due to increase in average working capital.
- Net Profit Ratio is impacted due to lower net profit.
- Return on investment has goes down due to increase in investment in subsidiary.

Note - 45 : Additional Regulatory Disclosures as per Schedule III of Companies Act, 2013

- The Title deeds of the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.
- The Company does not have any investment property.
- There is no revaluation of Property, Plant and Equipment (including Right of Use Assets) and intangible assets during the year, hence the revaluation related disclosures required as per Additional Regulatory Information of Schedule III (revised) to the Companies Act, is not applicable.
- The Company has not granted Loans or Advances in the nature of loan to any promoters, Directors, KMPs and the related parties (As per Companies Act, 2013) , which are repayable on demand or without specifying any terms or period of repayments.
- Capital-Work-in Progress (CWIP)

Ageing schedule of capital work in progress :-

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress					
1. EPC SOLAR Project - Yevatmal	-	1,257.02	-	-	1,257.02
2. Plant & Machinery	3.50	-	-	-	3.50
3. Civil work - LPG Plant Foundation	8.95	-	-	-	8.95
and other					
Total	12.45	1,257.02	-	-	1,269.47
Projects temporarily suspended	-	-	-	-	-

(vi) Intangible assets under development : NA

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

(viii) The Company has been sanctioned facilities from banks on the basis of security of current assets in excess of Rs 5 Cr. The Quarterly returns or statements of current assets filed by the Company with such banks are in agreement with the books of accounts of the Company taking into account notes given in the said statements.

(ix) The Company has not been declared as wilful defaulter by any of the lenders.

(x) There are no transactions with the Companies whose name are struck off under Section 248 of The Companies Act, 2013 or Section 560 of the Companies Act, 1956 during the year ended March 31, 2026.

(xi) All applicable cases where registration of charges or satisfaction is required to be filed with Registrar of Companies have been filed. No registration or satisfaction is pending at the year ended March 31, 2026.

(xii) Compliance with number of layers of companies - NA

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

(xiv) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or
- provide any guarantee, security or the like to or on behalf of the ultimate beneficiary.

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

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(xvi) The Company has not operated in any crypto currency or Virtual Currency transactions.

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

(xviii) Corporate Social Responsibility : Provisions of 135 of companies act 2013 are not applicable to company.

As per our report of even date
For **Pawan Jain And Associates**
Chartered Accountants

For and on behalf of Board of Directors
For **Kinetic Engineering Limited**

Arun Firodia
(Chairman)
DIN: 00057324

Ajinkya Firodia
(Vice Chairman & Managing Director)
DIN: 00332204

CA Pawan Jain
Partner
Membership Number: 032900
Firm Reg No.: 0107867W
Place: Pune
Date: May 29, 2026
UDIN: 26032900XRRRTY9204

Vinayak Shevade
(Chief Financial Officer)

Chaitanya Mundra
(Company Secretary)

INDEPENDENT AUDITOR'S REPORT

To
The members of
KINETIC ENGINEERING LIMITED

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the accompanying financial statements of **Kinetic Engineering Limited** (hereinafter referred to as the 'Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as the 'Group'), which comprise the Consolidated Balance Sheet as at March 31, 2026, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows for the year ended on that date, and notes to Consolidated financial statements, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "Consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2026, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143 (10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Act and the rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's code of ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended 31 March 2026. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Information other than the Consolidated Financial Statements and Auditors' Report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's

Report, Business Responsibility and Sustainability Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the consolidated balance sheet, consolidated profit and loss statements and consolidated statement of cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the company included in the Group are responsible for assessing the Group'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 management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the Company's financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are independent Auditors.

Materiality is the magnitude of the misstatements in the Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in-

- planning the scope of our audit work and in evaluating the results of our work; and
- to evaluate the effect of any identified misstatements in the Consolidated Financial Statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the Auditor's Reports on the financial statements of Company and its subsidiaries as at and for the year ended March 31, 2026, included in the Consolidated Financial Statements of the Group, there are no matters which require reporting as specified as in paragraph 3(xxi) of the Order.

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

- We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
- In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books;
- The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
- In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- On the basis of the written representations received from the directors as on March 31, 2026 taken on record by the Board of Directors, none of the directors of the Group's companies incorporated in India, is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164(2) of the Act;
- With respect to the adequacy of internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in "Annexure A" which is based on the auditors' reports of the Company and its subsidiary companies. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to Consolidated Financial Statements of those companies;
- With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its

directors during the year is in accordance with the provisions of section 197 of the Act.

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

- I. The Consolidated financial statements disclose impact of pending litigations on the consolidated financial position of the Group.
- II. The provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
- III. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company and its subsidiary companies incorporated in India.
- IV. (a) The respective managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested either from borrowed funds or share premium or any other sources or kind of funds by the Holding Company or any of such subsidiaries to or in any other person or entity, including foreign entities ('Intermediaries'), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or any of such subsidiaries ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

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

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and those performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditors' notice

that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material misstatement. The Holding Company did not have any associate company incorporated in India and did not exercise joint control over any entity incorporated in India.

- V. During the year, the company has not declared or paid any dividend.
- VI. Based on our examination, which included test checks, the Company has used accounting software systems for maintaining its books of account for the financial year ended March 31, 2026 which have the feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software systems. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For **Pawan Jain and Associates**
Chartered Accountants
Firm Registration No: 0107867W

Place: Pune
Date: May 29, 2026

CA Pawan Jain
Partner
Membership No: 032900
UDIN: 26032900IYYUDJ8908

“ANNEXURE A” TO INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 2 (f) under the heading ‘Report on other legal and regulatory requirements’ of our report of even date.)

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

In conjunction with our audit of the consolidated financial statements of **Kinetic Engineering Ltd.** (hereinafter referred to as the ‘Holding Company’) as of and for the year ended 31st March 2026, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as ‘the Group’), which are companies incorporated in India, as of that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the ‘Guidance Note’) and the Standards on Auditing, specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both, issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors’ judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial Controls with reference to Consolidated Financial Statements

A company’s internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control with reference to consolidated financial statements includes those policies and procedures that

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
3. provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Consolidated Financial Statements

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

Opinion

In our opinion, the Group, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at 31 March 2026, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements of the Holding Company, so far as it relates to one subsidiary, which is incorporated in India, is based on the corresponding reports of the auditors of such subsidiary. The Holding Company did not have any associate company incorporated in India and did not exercise joint control over any entity incorporated in India.

For **Pawan Jain and Associates**
 Chartered Accountants
 Firm Registration No: 0107867W

Place: Pune
Date: May 29, 2026

CA Pawan Jain
 Partner
 Membership No: 032900
UDIN: 26032900IYYUDJ8908

KINETIC ENGINEERING LIMITED

D-1 Block, Plot No. 18 / 2, MIDC, Chinchwad, Pune - 411 019
 CIN : L35912MH1970PLC014819

Balance Sheet as at March 31, 2026

		Rs. in Lakhs	
		March 31, 2026	March 31, 2025
PARTICULARS	Note		
ASSETS			
1) Non-current assets			
a) Property, Plant & Equipment	3	6,487.95	5,793.39
b) Capital work-in-progress		2,178.35	3,575.79
c) Other Intangible Assets	3	3,802.27	39.14
d) Financial Assets			
(i) Investments	4	392.09	385.10
(ii) Other	5	373.14	324.81
e) Deferred Tax Assets	6	-	-
f) Other Non-Current Assets	7	60.58	60.33
		13,294.39	10,178.56
2) Current assets			
a) Inventories	8	6,870.40	5,408.55
b) Financial Assets			
(i) Investments	4	-	-
(ii) Trade receivables	9	3,540.70	3,759.99
(iii) Cash and cash equivalents	10	3,911.36	3,725.67
(iv) Bank Balances other than (iii) above	11	44.01	53.83
(v) Loans	12	3.65	3.65
(vi) Others	13	8.66	1.29
c) Current Tax Assets(Net)	14	240.73	165.10
d) Other current assets	15	1,420.34	367.70
		16,039.86	13,485.79
TOTAL		29,334.25	23,664.35
EQUITY AND LIABILITIES			
Equity			
a) Equity Share Capital	16	2,691.11	2,341.11
b) Other Equity	17	12,214.12	7,969.00
Equity attributable to owners of Company		14,905.23	10,310.11
c) Non Controlling Interest		1,409.42	1,425.70
		16,314.65	11,735.80
Liabilities			
1) Non-current liabilities			
a) Financial Liabilities			
(i) Borrowings	18	4,734.14	4,371.43
b) Provisions	19	264.39	177.22
c) Other Non-Current Liabilities	20	136.10	-
		5,134.62	4,548.65
2) Current liabilities			
a) Financial Liabilities			
(i) Borrowings	21	2,323.52	1,663.97
(ii) Trade payables	22		
(A) Total outstanding due of micro & small enterprises		192.62	226.85
(B) Total outstanding dues of creditors other than micro & small enterprises		4,093.15	4,039.07
(iii) Others	23	467.63	363.86
b) Provision	25	281.26	295.15
c) Other Current Liabilities	24	526.80	790.98
		7,884.98	7,379.89
TOTAL		29,334.25	23,664.35

Summary of significant accounting policies 2
 Notes are integral part of the financial statements

As per our report of even date For **Pawan Jain And Associates**
 Chartered Accountants

For and on behalf of Board of Directors
 For **Kinetic Engineering Limited**

CA Pawan Jain
 Partner
 Membership Number: 032900
 Firm Reg No.: 0107867W
 Place : Pune
 Date: May 29, 2026
 UDIN: 26032900IYYUDJ8908

Arun Firodia
 (Chairman)
 DIN: 00057324

Ajinkya Firodia
 (Vice Chairman & Managing Director)
 DIN: 00332204

Vinayak Shevade
 (Chief Financial Officer)

Chaitanya Mundra
 (Company Secretary)

KINETIC ENGINEERING LIMITED			
D-1 Block, Plot No. 18 / 2, MIDC, Chinchwad, Pune - 411 019			
CIN : L35912MH1970PLC014819			
Statement of Profit and Loss for the period ended March 31, 2026			
PARTICULARS	Note	March 31, 2026	Rs. in Lakhs March 31, 2025
INCOME :			
a) Revenue from Operations	26	15,774.83	14,246.45
b) Other income	27	865.77	1,280.56
Total Income		16,640.60	15,527.02
EXPENSES :			
a) Cost of materials consumed	28	9,282.05	7,841.22
b) Changes in inventories of finished goods and work-in-progress	29	(767.90)	(94.53)
c) Employee benefits expenses	30	2,549.74	2,240.17
d) Finance costs	31	582.49	490.21
e) Depreciation and amortization expenses	3	632.01	668.74
f) Other expenses	32	4,199.53	3,758.62
Total Expenses		16,477.92	14,904.44
Profit/(Loss) before exceptional items and tax		162.68	622.58
Exceptional items			
Past service cost due to wage code revision - in Gratuity		75.51	-
Profit/(Loss) before tax		87.18	622.58
Tax expenses :			
a) Current tax		-	-
b) Deferred tax		-	-
Profit (Loss) for the year		87.18	622.58
Attributable to			
a) Owners of the company		103.45	642.05
b) Non-controlling interest		(16.28)	(19.47)
Other Comprehensive Income			
Items that will not be reclassified to Profit or Loss			
(i) Re-measurement of net defined benefit plan		2.92	(19.05)
Total Other Comprehensive Income		2.92	(19.05)
Total Comprehensive Income for the year		90.10	603.53
Attributable to			
a) Owners of the company		106.37	623.00
b) Non-controlling interest		(16.28)	(19.47)
Earnings Per Share (Nominal value per share Rs. 10)			
Basic		0.43	2.89
Diluted		0.42	2.86

Summary of significant accounting policies 2

Notes are integral part of the financial statements

As per our report of even date For and on behalf of Board of Directors

For Pawan Jain & Associates For Kinetic Engineering Limited

Chartered Accountants

CA Pawan Jain
Partner
Membership Number: 032900
Firm Reg No.: 0107867W
Place : Pune
Date: May 29, 2026
UDIN: 26032900IYYUDJ8908

Arun Firodia
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(Company Secretary)

KINETIC ENGINEERING LIMITED

D-1 Block, Plot No. 18 / 2, MIDC, Chinchwad, Pune - 411 019

CIN : L35912MH1970PLC014819

Statement of Cash Flows For the period ended March 31, 2026

PARTICULARS	March 31, 2026	Rs. in Lakhs March 31, 2025
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit / (Loss) for the year	90.10	603.52
Adjustment For :		
Depreciation	632.01	668.74
Interest & Finance charges (Net)	452.43	435.51
Dividend Received	(7.72)	(7.39)
Unrealised gain on fair valuation of Investment	(7.00)	(14.25)
Profit (-) / Loss (+) on sale of Assets	(464.08)	(1,028.93)
Operative Profit before Working Capital Changes	695.74	657.20
Adjustment for net change in:		
Trade and Other Receivables	(873.44)	(798.33)
Inventories	(1,461.85)	(306.15)
Trade & Other payables	(183.10)	(1,605.27)
Cash generated from operations	(1,822.64)	(2,052.55)
Direct Taxes	(75.63)	(103.11)
Net Cash Generated from operating activities	(1,898.28)	(2,155.66)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant & Equipment and Intangible Assets (Net)	(3,690.94)	(4,112.53)
Sale of Property, Plant & Equipment and Intangible Assets	464.08	1,911.11
Purchase of Investment (Net)	0.00	515.38
Dividend received	7.72	7.39
Interest Received	122.70	22.95
Net Cash used in investing activities	(3,096.45)	(1,655.67)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Long Term Borrowings	615.85	1,147.23
Proceeds from Short Term Borrowings	659.55	1,243.03
Issue of Equity Shares / Convertible Warrants	4,488.75	6,670.99
Redemption of Preference Shares	-	(1,963.52)
Interest and Financial Charges paid	(583.73)	(483.07)
Net Cash used in financing activities	5,180.42	6,614.65
D. Net change in Cash and cash equivalents (A+B+C)	185.69	2,803.31
Cash and Cash Equivalents (Opening)	3,725.67	922.36
Cash and Cash Equivalents (Closing)	3,911.36	3,725.67

Notes : 1. Figures in brackets represent cash outflows.

2. Previous year figures have been regrouped wherever necessary.

3. Cash and cash equivalents comprises of :

	March 31, 2026	March 31, 2025
Cash on hand	0.26	0.10
Balances with banks	3,911.10	3,725.57
	3,911.36	3,725.67

As per our report of even date
For **Pawan Jain & Associates**
Chartered Accountants

For and on behalf of Board of Directors
For **Kinetic Engineering Limited**

Arun Firodia
(Chairman)
DIN: 00057324

Ajinkya Firodia
(Vice Chairman & Managing Director)
DIN: 00332204

CA Pawan Jain
Partner
Membership Number: 032900
Firm Reg No.: 0107867W
Place: Pune
Date: May 29, 2026
UDIN: 26032900IYYUDJ8908

Vinayak Shevade
(Chief Financial Officer)

Chaitanya Mundra
(Company Secretary)

Statement of changes in equity for the period ended March 31, 2026

PARTICULARS	Rs. In Lakhs		Preference Shares	Capital Reserve	Securities premium reserve	General reserve	Special Reserve	Share Warrants Application Money	Share Warrant Account	Retained Earnings/Surplus	Other Comprehensive Income	Non-Controlling Interest	Ind AS Retained Earnings	Rs. In Lakhs Total
	Number	Amount												
A. Equity share capital														
PARTICULARS	Number	Amount												
As at April 01, 2024	221.62	2,216.15												
Changes in equity share capital	12.50	124.96												
As at March 31, 2025	234.11	2,341.11												
Change in equity share capital	35.00	350.00												
As at March 31, 2026	269.11	2,691.11												
B. Other equity														
PARTICULARS														
As at April 01, 2024			2,059.52	3,535.19	13,320.57	8,669.25	0.46	-	-	(23,477.43)	(122.28)	451.27	(227.89)	4,208.66
Increase/ (Decrease)			(2,059.52)	-	1,971.04	0.46	(0.46)	171.00	3,500.00	-	-	980.53	-	4,563.05
Profit/(Loss) for the year			-	-	-	-	-	-	-	642.05	(19.05)	-	-	623.00
Balance as at March 31, 2025			-	3,535.19	15,291.61	8,669.70	-	171.00	3,500.00	(22,835.38)	(141.33)	1,431.81	(227.89)	9,394.71
PARTICULARS														
As at April 01, 2025			-	3,535.19	15,291.61	8,669.70	-	171.00	3,500.00	(22,835.38)	(141.33)	1,431.81	(227.89)	9,394.71
Increase/ (Decrease)			-	-	5,635.00	-	-	(171.00)	(1,325.25)	-	-	-	-	4,138.75
Profit/(Loss) for the year			-	-	-	-	-	-	109.55	2.92	-	(22.39)	-	90.08
Changes during the year			-	-	5,635.00	-	-	(171.00)	(1,325.25)	109.55	2.92	(22.39)	-	4,228.83
Balance as at March 31, 2026			-	3,535.19	20,926.61	8,669.70	-	-	2,174.75	(22,725.83)	(138.41)	1,409.42	(227.89)	13,623.54

The above statement of changes in equity should be read in conjunction with the accompanying notes.

As per our report of even date
For **Pawan Jain And Associates**
Chartered Accountants

For and on behalf of Board of Directors
For **Kinetic Engineering Limited**

CA Pawan Jain
Partner
Membership Number: 032900
Firm Reg No.: 0107867W
Place : Pune
Date: May 29, 2026
UDIN: 260329001YYUDJ8908

Arun Firodia
(Chairman)
DIN: 00057324

Ajinkya Firodia
(Vice Chairman & Managing Director)
DIN: 00332204

Vinayak Shevade
(Chief Financial Officer)

Chaitanya Mundra
(Company Secretary)

KINETIC ENGINEERING LIMITED

D-1 Block, Plot No. 18 / 2, MIDC, Chinchwad, Pune - 411 019

CIN : L35912MH1970PLC014819

Notes to Financial Statements for the year ended March 31, 2026

Note - 1 : The Corporate Overview

Kinetic Engineering Limited ("the company") is a public limited company domiciled in India and incorporated under the provisions of Indian Companies Act. The Registered Office of the Company is situated at D-1 Block, Plot No. 18/2, MIDC, Chinchwad, Pune. The company's ordinary shares are listed on the Bombay Stock Exchange.

The company is engaged in the manufacturing and supply of automotive components. The company caters to both domestic and international markets.

Note - 2 : Significant Accounting Policies

2.1 Statement of compliance

The financial statements of the company comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The financial statements were authorised for issue by the Board of Directors at it's meeting held on 29th May 2026.

2.2 Basis of preparation

The financial statements have been prepared on a historical cost basis, except certain financial instruments and defined benefit plans, which are measured at fair value.

2.3 Basis of Consolidation

The Consolidated financial Statements incorporate the financial statements of the Company, its subsidiary, being entity that it controls. Control is evidenced where the Group has power over the investee or is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to effect those returns through its power over the investee. Power is demonstrated through existing rights that give the ability to direct the relevant activities, which significantly affect the entity returns.

The Consolidated financial Statements include results of the subsidiary Company, consolidated in accordance with ind AS 110 (Consolidated Financial Statements) and Ind AS 28(Investment in Associates and Joint Ventures).

2.4 Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is the company's functional currency. All amounts have been rounded-off to the nearest Lakhs, unless otherwise stated.

2.5 Significant accounting judgments, estimates and assumptions

The preparation of the financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions which affect the reported amounts of revenue, expenses, current assets, non-current assets, current liabilities, non-current liabilities and disclosure of the contingent liabilities at the end of each reporting period. Actual estimates may differ from these estimates.

Detailed information about each of these estimates and judgements is included in relevant notes.

The areas involving critical estimates and judgements are:

Estimation of current tax expense and payable – Note 14

Estimation of defined benefit obligation – Note 19 & Note 25

Recognition of revenue – Note 26

Recognition of deferred tax assets for carried forward tax losses – Note 6

Useful lives of property, plant and equipment – Note 3 & Point 2.9 under significant accounting policies

Estimation and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

2.6 Current versus non-current classification

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

An asset is current when:

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

It is held primarily for the purpose of trading;

It is expected to be realised within twelve months after the reporting period; or

It is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

It is expected to be settled in normal operating cycle;

It is held primarily for the purpose of trading;

It is due to be settled within twelve months after the reporting period; or

There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period
All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

2.7 Revenue recognition

Effective April 1, 2018, the Company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The standard is applied by the company prospectively and the comparative information in the statement of profit and loss is not restated – i.e. the comparative information continues to be reported under Ind AS 18 and Ind AS 11. The impact of the adoption of the standard on the financial statements of the Company is insignificant.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Dividend income is recorded when the right to receive payment is established. Interest income is recognised using the effective interest method.

Export benefits in the form of Duty Draw Back/ Merchandise Exports Incentive Scheme(MEIS) claims are recognised in the statement of profit and loss on receipt basis.

2.8 Inventories

Inventories are stated at the lower of cost and net realisable value. However, materials and other items held for use in the production of inventories are not written down below cost, if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is ascertained on a weighted average basis.

Cost of raw materials, components, stores and spares comprises cost of purchases. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated based on normal operating capacity. Cost of inventories also includes all other costs incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

2.9 Property, plant and equipment (PPE)

Recognition and measurement

Property, plant and equipment are stated at cost comprising of purchase price and any initial directly attributable cost of bringing the asset to its working condition for its intended use, less accumulated depreciation (other than freehold land) and impairment loss, if any. Borrowing costs directly attributable to the construction of a qualifying asset are capitalised as part of the cost.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the company and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in the statement of profit and loss as incurred.

Disposal

The gain or loss arising on disposal of an item of property, plant and equipment is determined as the difference between sale proceeds and carrying value of such item, and is recognised in the statement of profit and loss.

Depreciation

Depreciation is calculated over the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

On PPE acquired on or before 31st March 2000: Depreciation is recognised in the statement of profit and loss on a written down value basis over the estimated useful lives of each part of an item of property, plant and equipment as prescribed in Schedule II of the Companies Act, 2013, as assessed by the management of the company based on technical evaluation.

On PPE acquired after 31st March 2000: Depreciation is recognised in the statement of profit and loss on a straight line basis over the estimated useful lives of each part of an item of property, plant and equipment as prescribed in Schedule II of the Companies Act, 2013, as assessed by the management of the company based on technical evaluation.

Freehold land is not depreciated.

The property, plant and equipment acquired under finance leases is depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the company will obtain ownership by the end of the lease term.

The estimated useful lives for main categories of property, plant and equipments are:

Category	Useful life
Building	30 to 60 years
Plant and Machinery	15 to 25 years
Electrical installation and Fittings	10 years
Dies, Jigs & Fixtures	10 to 15 years
Furniture and Fixtures	8 to 10 years
Office Equipments	3 to 5 years
Vehicles	8 to 10 years

2.10 Intangible assets

Recognition and measurement

Intangible assets are recognised when the asset is identifiable, is within the control of the company, it is probable that the future economic benefits that are attributable to the asset will flow to the company and cost of the asset can be reliably measured.

Expenditure on research activities is recognised in the statement of profit and loss as incurred. Development expenditure is capitalised only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the company intends to and has sufficient resources to complete development and to use or sell the asset.

Subsequent measurement

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

Amortisation

Amortisation is calculated over the cost of the asset, or other amount substituted for cost, less its residual value. Amortisation is recognised in statement of profit and loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

The estimated useful lives are as follows:

Asset	Useful life
Software	4 Years

2.11 Investment property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the company, is classified as investment property.

Investment property is measured at cost less accumulated depreciation.

2.12 Impairment of tangible and intangible assets

Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

2.13 Foreign currency transactions and balances

Transactions in foreign currency are recorded at exchange rates prevailing at the date of transactions. Exchange differences arising on foreign exchange transactions settled during the year are recognised in the statement of profit and loss of the year.

Monetary assets and liabilities denominated in foreign currencies which are outstanding, as at the reporting period are translated at the closing exchange rates and the resultant exchange differences are recognised in the statement of profit and loss.

Non-monetary assets and liabilities denominated in foreign currencies that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction.

2.14 Employee benefits

Short-term employee benefits

Employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits and are recognised in the period in which the employee renders the related service. A liability is recognised for the amount expected to be paid when there is a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined contribution plans

Contributions to defined contribution plans are recognised as expense when employees have rendered services entitling them to such benefits.

Defined benefit plans

The employees' gratuity scheme is a defined benefit plan. The present value of the obligation under such defined benefit plans is determined based on actuarial valuation using the projected unit credit method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans, is based on the market yields on government securities as at the reporting date, having maturity periods approximating to the terms of related obligations.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income (OCI) in the period in which they occur. Remeasurements are not reclassified to the statement of profit and loss in subsequent periods.

In case of funded plans, the fair value of the plan's assets is reduced from the gross obligation under the defined benefit plans, to recognise the obligation on net basis.

When the benefits of the plan are changed or when a plan is curtailed, the resulting change in benefits that relates to past service or the gain or loss on curtailment is recognised immediately in the statement of profit and loss. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The company recognises gains/ losses on settlement of a defined plan when the settlement occurs.

Compensated absences

The liabilities for earned leave are not expected to be settled wholly within twelve months after the end of the reporting period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method as determined by actuarial valuation. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating the terms of the related obligation. Remeasurements as a result of experience adjustments and change in actuarial assumptions are recognised in the statement of profit and loss. The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

Termination benefits

Termination benefits are expensed at the earlier of when the company can no longer withdraw the offer of those benefits and when the company recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the reporting date, then they are discounted.

2.15 Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Company as a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the company is classified as a finance lease.

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased asset or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term unless the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases or another systematic basis is available.

Company as lessor

Leases in which the company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease unless the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases or another systematic basis is available. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the company's net investment in the leases. Finance lease income is allocated to accounting periods to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

2.16 Borrowing costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. All other borrowing costs are expensed in the period in which they are incurred.

2.17 Income tax

Income tax expense comprises current and deferred tax. It is recognised in the statement of profit and loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted, at the reporting date in the country where the company operates and generates taxable income. Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Minimum Alternate Tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The company recognises MAT credit available as an asset only to the extent that there is convincing evidence that the company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. The company reviews the 'MAT credit entitlement' asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the specified period.

Deferred tax

Deferred tax is provided using the balance sheet method on temporary differences between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;

Taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

2.18 Financial instruments

Financial assets and liabilities are recognised when the company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.

Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless they are measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in statement of profit and loss.

Financial liabilities

Financial liabilities are measured at amortised cost using the effective interest method.

Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received net of direct issue cost.

Offsetting of financial instruments

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

Impairment of financial assets

The company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the assets carried at amortised cost and FVTOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 35 details how the company determines whether there has been a significant increase in credit risk.

For trade receivables only, the company applies the simplified approach permitted by 'Ind AS 109 - Financial instruments', which requires expected lifetime losses to be recognised from initial recognition of the receivables.

2.19 Fair value measurement

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities based on the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as;

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

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

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

2.20 Provisions and contingencies

A **provision** is recognised when the company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the financial statements.

2.21 Earnings per share (EPS)

Basic earnings per share is computed by dividing profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year.

2.22 Cash dividend to equity holders

The company recognises a liability to make cash distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

2.23 Government grant

Government grants are recognised at their fair value when there is a reasonable assurance that the grant will be received and company will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the statement of profit and loss over the period necessary to match them with costs that they are intended to compensate and presented within other income.

Government grants relating to purchase of property, plant and equipment are initially recognised as deferred income at fair value and subsequently recognised in the statement of profit and loss on a systematic basis over the useful life of the asset.

KINETIC ENGINEERING LIMITED

D-1 Block, Plot No. 18/2, MIDC, Chinchwad, Pune - 411 019

MAINTENANCE OF FINANCIAL RECORDS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

187 APRIL 2025 TO 31ST MARCH 2026

187 APRIL 2025 TO 31ST MARCH 2026															Rs. In Lakhs
Particulars	Lease-hold Land and Buildings	Free-hold Land	Buildings	Tangible Plant & Machinery	Electrical Equipment & Fittings	Dir. Equip. & Furniture	Furniture Fixtures	Road	Computers	Office Equipment	Factory Equipments	Vehicles	Technical Know-how	New Product Development	Balance As At March 31, 2025
(1) GROUP BLOCK: OWNED ASSETS															
As at April 01, 2025	79.06	1,039.73	3,048.17	16,650.23	287.98	2,475.31	463.44	83.51	676.39	28.75	28.75	123.31	670.91	-	25,664.49
Business Acquisition	-	-	22.77	4,174.63	26.24	358.53	43.15	270.55	55.67	33.52	33.52	0.95	26.68	3,774.46	5,269.12
Depreciation	-	-	-	-	-	-	-	-	0.05	-	-	-	-	-	200.61
As at March 31, 2026	79.06	839.17	3,070.94	17,069.63	304.22	3,056.19	506.54	360.09	735.01	61.27	113.22	124.31	727.59	3,758.46	30,774.20
Depreciation / Amortisation															
Up to March 31, 2025	4.62	-	2,058.11	13,499.05	212.48	1,456.83	409.13	5.65	609.84	12.71	0.11	71.66	631.77	-	19,851.97
From April 01, 2025 to March 2026	1.61	-	5.09	371.04	11.29	137.20	9.43	12.82	37.48	6.21	18.03	5.91	14.66	1.29	632.01
Business Acquisition	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2026	6.23	-	2,063.20	13,870.09	223.77	1,574.13	418.56	18.47	647.32	18.92	18.14	77.57	646.43	1.24	20,483.98
Net Book Value as at March 31, 2026	72.83	839.17	1,007.74	3,199.54	80.45	1,482.06	87.97	341.62	87.68	42.35	93.08	46.74	81.15	3,777.22	10,290.22
Net Block as at March 31, 2023	74.44	1,039.73	980.06	3,151.19	76.50	1,038.48	64.30	77.86	66.54	13.94	60.39	51.65	39.14	-	6,832.53
→ Amortisation Charges For The Year Are In Respect Of Leasehold Land And Technical Know-how.															
(2) GROUP BLOCK: LEASED ASSETS															
As at April 01, 2025	-	-	-	4.07	-	-	-	-	-	-	-	-	-	-	4.07
Business Acquisition	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2026	-	-	-	4.07	-	-	-	-	-	-	-	-	-	-	4.07
Depreciation / Amortisation															
Up to March 31, 2025	-	-	-	4.06	-	-	-	-	-	-	-	-	-	-	4.06
From April 01, 2025 to March 2026	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Business Acquisition	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2026	-	-	-	4.06	-	-	-	-	-	-	-	-	-	-	4.06
Net Book Value as at March 31, 2026	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Block as at March 31, 2026	-	-	-	0.01	-	-	-	-	-	-	-	-	-	-	0.01
Net Block as at March 31, 2025	-	-	-	0.01	-	-	-	-	-	-	-	-	-	-	0.01
Net Block as at March 31, 2026	72.83	839.17	1,007.74	3,199.56	80.45	1,482.06	87.97	341.62	87.68	42.65	93.38	46.74	81.16	3,777.22	10,290.23
Net Block as at March 31, 2025	74.44	1,039.73	980.06	3,151.20	76.50	1,038.48	64.30	77.86	66.54	13.94	60.39	51.65	39.14	-	6,832.53

KINETIC ENGINEERING LIMITED

D-1 Block, Plot No. 18 / 2, MIDC, Chinchwad, Pune - 411 019

CIN : L35912MH1970PLC014819

Notes to financial statements for the period ended March 31, 2026

PARTICULARS	Rs. in Lakhs	
	March 31, 2026	March 31, 2025
Note 4: Investments		
4 (a) Non-current investments		
Investment in Equity instruments (fully paid-up)		
Equity instruments at FVTOCI		
Unquoted		
Kinetic Communications Limited	18.83	16.24
Kinetic Escalator and Elevator Limited	113.32	108.63
Total (equity instruments)	132.15	124.87
Equity instruments at FVTPL		
Unquoted		
Kinetic Green Energy and Power Solutions Ltd.	257.71	257.71
Total (preference shares)	257.71	257.71
Investment in Shares (classified as FVTOCI)		
Daewoo Motors (India) Limited (Formerly DCM Toyota Ltd.)	0.01	0.01
Eicher Limited	0.03	0.03
Escorts Limited	1.35	1.63
Hindustan Motors Limited	0.02	0.04
Majestic Auto Limited	0.27	0.28
Hero Motocorp Limited (Formerly Hero Motors Limited)	0.05	0.04
Saraswat Co-operative Bank Limited	0.25	0.25
Total (Shares)	1.99	2.29
Investment in Government Securities (classified as FVTPL)		
7 Years National Savings Certificates	0.24	0.24
Total (Investment in Securities)	0.24	0.24
Total Non-current investments	392.09	385.10

Particulars	Book Value		Market Value	
	As at March 31		As at March 31	
	2026	2025	2026	2025
1 Unquoted	390.10	382.83	NA	NA
2 Quoted	0.77	0.77	1.99	2.29
	390.87	383.60	1.99	2.29

KINETIC ENGINEERING LIMITED

D-1 Block, Plot No. 18 / 2, MIDC, Chinchwad, Pune - 411 019

CIN : L35912MH1970PLC014819

Notes to financial statements for the period ended March 31, 2026

PARTICULARS	Rs. in Lakhs	
	March 31, 2026	March 31, 2025
Note - 5 : Other Non Current Financial Asset		
(a) Security Deposits		
Unsecured, considered good	127.16	79.32
Doubtful	-	-
	127.16	79.32
Less: Provision for doubtful deposits	-	-
	127.16	79.32
(b) Other Loans and advances		
(i) Others loans		
Loans Receivables considered good – Unsecured;	39.33	38.84
– Doubtful	-	-
	39.33	38.84
Less: Allowance for bad & doubtful loans	-	-
	39.33	38.84
(ii) Bills Receivable (Refer Note-40 for details)	206.65	206.65
Total	373.14	324.81

No loans are due by directors or other officers of the company either severally or jointly with any other person, nor any loan amounts due by firms or private companies respectively in which any director is a partner or a director or a member.

Note - 6 : Deferred tax assets (Net)

Deferred tax liability		
(i) On accumulated depreciation	461.84	461.84
(ii) On other timing differences	-	-
	461.84	461.84
Deferred tax liability (A)		
	461.84	461.84
Deferred tax assets		
(i) On disallowance under Section 43B & 40A of Income Tax Act,1961	461.84	461.84
(ii) On provision for doubtful debts	-	-
(iii) On carried forward loss under Income Tax Act,1961	-	-
	461.84	461.84
Deferred tax assets (B)		
	461.84	461.84

Note - 7 : Other Non Current Assets

(a) Capital Advances		
Unsecured, considered good	36.81	38.14
Doubtful	-	-
	36.81	38.14
Less: Provision for doubtful advances	-	-
	36.81	38.14
(b) Advances other than capital advances		
Other advances	23.77	22.18
Total	60.58	60.33

KINETIC ENGINEERING LIMITED

D-1 Block, Plot No. 18 / 2, MIDC, Chinchwad, Pune - 411 019

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Notes to financial statements for the period ended March 31, 2026

PARTICULARS	Rs. in Lakhs	
	March 31, 2026	March 31, 2025
Note - 8 : Inventories		
(i) Raw Materials	1,127.17	598.00
(ii) Work-in-progress	3,776.33	3,225.66
(iii) Finished goods	217.23	-
(iv) Stores and spares	1,749.67	1,584.89
Total	6,870.40	5,408.55

Note : Refer note 2.7 under significant accounting policies

Note - 9 : Trade Receivables

(i) Trade Receivables considered good – Unsecured;	3,555.46	3,774.75
	3,555.46	3,774.75
Less: Allowance for doubtful debts	(14.76)	(14.76)
Total	3,540.70	3,759.99

No trade receivables are due from directors or other officers of the company either severally or jointly with any other person, nor any trade receivables are due by firms or private companies respectively in which any director is a partner or a member.

Aging Schedule as on March 31, 2026

Particulars	Less than 6	6 Months- 1 Year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables – considered good	2,921.23	388.25	20.13	52.13	158.96	3,540.70
Undisputed Trade receivables – considered doubtful	-	-	-	-	-	-
Disputed Trade Receivables – considered good	-	-	-	-	-	-
Disputed Trade Receivables – considered doubtful	-	-	-	-	-	-

Aging Schedule as on March 31, 2025

Particulars	Less than 6	6 Months- 1 Year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables – considered good	3,485.19	20.27	62.91	77.86	113.76	3,759.99
Undisputed Trade receivables – considered doubtful	-	-	-	-	-	-
Disputed Trade Receivables – considered good	-	-	-	-	-	-
Disputed Trade Receivables – considered doubtful	-	-	-	-	-	-

Note - 10 : Cash and cash equivalents

(i) Balance with Banks	395.18	1,733.70
(ii) Cash on hand	0.26	0.10
(iii) Others		
Fixed deposits	3,515.92	1,991.87
Total	3,911.36	3,725.67

Note - 11 : Other Bank Balances

(i) Fixed deposits	44.01	53.83
Total	44.01	53.83

KINETIC ENGINEERING LIMITED

D-1 Block, Plot No. 18 / 2, MIDC, Chinchwad, Pune - 411 019

CIN : L35912MH1970PLC014819

Notes to financial statements for the period ended March 31, 2026

PARTICULARS	Rs. in Lakhs	
	March 31, 2026	March 31, 2025
Note - 12 : Current Loans		
(i) Others		
Deposits with Govt. authorities	3.65	3.65
	3.65	3.65
Less: Allowance for bad and doubtful loans	-	-
Total	3.65	3.65

No loans are due by directors or other officers of the company either severally or jointly with any other person, nor any loan amounts due by firms or private companies respectively in which any director is a partner or a director or a member.

Note - 13 : Other Current Financial Assets

(i) Interest Accrued on Investments & Deposits	8.66	1.29
(ii) Receivable of Sale of Undertaking	-	-
Total	8.66	1.29

Note - 14 : Current Tax Assets(Net)

(i) Advance Income tax net of provision	240.73	165.10
Total	240.73	165.10

Note - 15 : Other current assets

(i) Others	847	96.26
(ii) Advances to suppliers and others		
Unsecured, considered good	574	271.44
Doubtful	-	-
	1,420.34	367.70
Less: Provision for doubtful advances	-	-
Total	1,420.34	367.70

KINETIC ENGINEERING LIMITED

D-1 Block, Plot No. 18 / 2, MIDC, Chinchwad, Pune - 411 019
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Notes to financial statements for the period ended March 31, 2026

Net - 16 : Share Capital

A. Authorised Share Capital

(i) Equity Share Capital	Number	Rs. In Lakhs
Authorised shares as at April 01, 2025	5,30,13,932	5,301.39
Increase/(decrease) during the year	-	-
Total shares authorised as at March 31, 2026	5,30,13,932	5,301.39
Increase/(decrease) during the year	-	-
Total authorised Equity share capital as at March 31, 2026	5,30,13,932	5,301.39

(ii) Preference Share Capital	Number	Rs. In Lakhs
Authorised shares as at April 01, 2025	12,48,08,399	14,289.43
Increase/(decrease) during the year	-	-
Total shares authorised as at March 31, 2026	12,48,08,399	14,289.43
Increase/(decrease) during the year	-	-
Total authorised Preference share capital as at March 31, 2026	12,48,08,399	14,289.43
Total authorised Preference share capital as at March 31, 2026	17,78,22,331	19,590.83

B. Issued, Subscribed & fully Paid Up Share Capital

(i) Equity Share Capital	Number	Rs. In Lakhs
Balance as at April 01, 2024	2,21,61,500	2,216.15
Changes during the period	12,49,591	124.96
Balance as at March 31, 2025	2,34,11,091	2,341.11
Changes during the period	35,00,000	350.00
Balance as at March 31, 2026	2,69,11,091	2,691.11

* On March 14, 2021, the Members of the Company approved the issuance of 17,70,862 Equity Shares upon conversion of the loan into Equity Shares. However, only 12,88,569 Equity Shares were subsequently allotted. Accordingly, a difference of 4,82,293 Equity Shares arose between the Equity Shares approved for issuance and the Equity Shares actually allotted, resulting in a corresponding difference in the issued share capital.

C. Details of equity shareholders holding more than 5% shares

Name of shareholder	March 31 ,2026		March 31, 2025	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Jayashree A. Firodia	39,25,222	14.59%	39,25,222	16.77%
Microage Instruments pvt ltd.	55,22,993	20.52%	55,22,993	23.59%
Ashoka Investment Holdings Limited	8,81,617	3.28%	13,30,935	5.69%
Ajinkya Arun Firodia	26,42,624	9.82%	26,42,624	11.29%
Jayashree Firodia Trust	32,55,058	12.10%	17,05,058	7.28%
Arun Firodia Trust	19,72,800	7.33%	-	-

D. Terms/rights attached to equity shares

The company has only one class of equity shares, having par value of Rs. 10 per share. Each holder of equity share is entitled for one vote per share and has a right to receive dividend, as recommended by the board of directors subject to the necessary approval from the shareholders. 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. Disclosure of Shareholding of Promoters as under:

Shares held by promoters at the end of the year					% Change during the year with reference to shares held at the beginning of the year
Sr. No	Promoter name	% of total shares as on 31.03.2026	No. of Shares as on 31.03.2026	No. of Shares as on 31.03.2025	
1	Jayashree Arun Firodia	14.59%	39,25,222	39,25,222	-
2	Ajinkya Arun Firodia	9.82%	26,42,624	26,42,624	-
3	Arun Hastimal Firodia	0.68%	1,82,963	32,963	455.06%
4	Sulajja Firodia Motwani	0.00%	616	616	-
5	Jayashree Firodia Trust	12.10%	32,55,058	17,05,058	90.91%
6	Arun Firodia Trust	7.33%	19,72,800	5,72,800	244.41%
7	Micro Age Instruments Pvt Ltd	20.52%	55,22,993	55,22,993	-

F. Allotments of Warrants

Last year the company issued 1,03,56,725 convertible warrants at Rs. 171 per warrant, convertible into 1,03,56,725 equity shares of Rs. 10 each at a premium of Rs 161 per share amounting to Rs. 17710 Lakhs. Out of these 97,56,725 convertible warrants were allotted by the Company and balance 6,00,000 warrants were lapsed. Out of allotted warrants, 11,69,591 warrants have been converted into equity shares by allottees in last year.

This year out of the warrants issued by the Company, 4,00,000 warrants were converted into equity shares on September 24, 2025, and 31,00,000 warrants were converted into equity shares on March 11, 2026.

Sr No.	Name of the Investors	No. of convertible warrants allotted	Date of Allotment
1	Jayashree Firodia Trust	41,70,057	27-03-2025
2	Arun Firodia Trust	38,22,800	27-03-2025
3	Arun Hastimal Firodia	13,63,868	27-03-2025
4	Transaction Square LLP	2,00,000	09-04-2025
5	Sai Geeta Penumetsa	2,00,000	09-04-2025
	Total	97,56,725	

The name of the allottees of Equity Shares pursuant to Conversion of Warrants

Sr No.	Name of Allottees	No.of equity shares allotted
1	Transaction Square LLP	2,00,000
2	Sai Geeta Penumetsa	2,00,000
3	Arun Haastimal Firodia	1,50,000
4	Jayashree Firodia Trust	15,50,000
5	Arun Firodia Trust	14,00,000
	Total	35,00,000

Utilisation Plan :-

Sr no.	Item head	Original Amounts (as per the Offer Document) in Rs. Lakhs	Revised Amounts in Rs. Lakhs (BR Dt 13/05/2025)	Revised Amounts in Rs. Lakhs (BR Dt 11/03/2026)
1	Redemption of Preference Shares	1,964	1,964	1,964
2	Payment of Overdue Liabilities	536	536	482
3	Investment in Subsidiary Company	12,000	12,000	12,000
4	Capex including Solar Project	1,200	1,200	700
5	Working Capital Requirements	1,010	800	1,354
6	General Corporate Purpose	1,000	184	184
	Total	17,710	16,684	16,684

Actual money received upto March 31, 2026 and Utilisation thereof

Actual money received upto March 31, 2026 : - Rs 10160 Lakhs

Sr no.	Utilisation	Amount in Lakhs.
1	Redemption of Preference Shares	1,964
2	Payment of Overdue Liabilities	482
3	Investment in Subsidiary Company	4,200
4	Working Capital Requirement	803
5	Unutilized proceeds	2,711
	Total	10,160

Deployment of unutilized proceeds

Sr no.	Deployment	Amount in Lakhs.
1	FD with saraswat bank	2,377
2	Dedicated Monitoring Account	334
	Total	2,711

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Notes to financial statements for the period ended March 31, 2026

Note 17 : Other Equity

PARTICULARS	Rs. in Lakhs	
	March 31, 2026	March 31, 2025
A. PREFERENCE SHARE CAPITAL		
a) 1,02,000 Optionally Convertible Cumulative Preference Shares of Rs. 156/- each	-	-
b) 3,20,500 Redeemable Cumulative Preference Shares of Rs. 156/- each.	-	-
c) 8,30,154 Optionally Convertible Cumulative Preference Shares of Rs. 65/- each	-	-
d) 11,76,650 8.5% New Optionally Convertible Cumulative Preference Shares of Rs. 65/- each	-	-
e) 80,000 Optionally Convertible Cumulative Preferences Shares of Rs. 120 each	-	-
f) 12,22,99,095 Preferences Shares of Rs. 10 each	-	-
Total	-	-

Note : The company has redeemed preference shares of Rs. 1963.52 Lakhs using the proceeds from warrants.

B. Capital Reserves		
Opening Balance	3,535.19	3,535.19
(+)(-) Transfer	-	-
Closing Balance	3,535.19	3,535.19
C. Securities Premium Account		
Opening Balance	15,291.61	13,320.57
(+)(-) Transfer	5,635.00	1,971.04
Closing Balance	20,926.61	15,291.61
D. General Reserve		
Opening balance	8,669.70	8,669.25
(+)(-) Transfer	-	0.46
Closing Balance	8,669.70	8,669.70
E. Special Reserve		
Opening balance	-	0.46
(+)(-) Transfer	-	-0.46
Closing Balance	-	-
F. Warrant Application Money		
Opening balance	171.00	-
(+)(-) Transfer	-171.00	171.00
Closing Balance	-	171.00
G. Share Warrant Account		
Opening balance	3,500.00	-
(+)(-) Transfer	(1,325.25)	3,500.00
Closing Balance	2,174.75	3,500.00
H. Surplus		
Opening balance	(23,198.51)	(23,821.50)
(+) Ind AS Retained Earnings Promoters Loan Repaid	-	-
Other Comprehensive Income	-	-
(+) Net Profit / (Net Loss) for the current year	180.45	673.33
(+) Fair Value revaluation balance of Investment sold	-	-
(+)Re-measurement of net defined benefit plan	4.78	(19.05)
(+) Profit Share in KWVL	(78.86)	(31.28)
Closing Balance	(23,092.13)	(23,198.51)
Total (A+B+C+D+E+F+G+H)	12,214.12	7,969.00
(I) Non-Controlling Interest		
17.11% in Kinectic Watts & Volt Ltd (38.37 % for FY 2024-25)		
Equity Share Capital	1,451.60	1,451.60
(+) Net Profit / (Net Loss) for the earlier period	(25.90)	(6.43)
(+) Net Profit / (Net Loss) for the current period KWL	(16.28)	(19.47)
	1,409.42	1,425.70

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Notes to financial statements for the period ended March 31, 2026

PARTICULARS	Rs. in Lakhs	
	March 31, 2026	March 31, 2025
Note - 18 : Non Current Borrowings		
(a) Term Loans		
i) From Banks - Secured	4,525.55	4,062.85
ii) From other parties		
Unsecured		
(a) Loans from related parties	50.00	50.00
(b) Term Loans from Others	158.59	258.59
Total	4,734.14	4,371.43

Term Loans are secured by hypothecation, by way of exclusive first charge on specific asset, being movable properties, secured as a continuing security for the repayment of Term loans together with interest. The term loans are repayable over a period upto ten years, including moratorium.

Note - 19 : Non Current Provisions

Provision for employee benefits :

(a) Gratuity	217.70	147.48
(b) Leave Encashment	46.69	29.74
Total	264.39	177.22

Note - 20 : Other Non Current Liabilities

(a) Others		
(i) Remeasurement of Long Term Liabilities	-	-
(ii) Dealer deposits	136.10	-
Total	136.10	-

Note - 21: Current Borrowings

Loans repayable on demand

Secured

(a) Cash Credit Facility from Banks	1,850.72	1,463.15
Other Loans		
Unsecured		
(a) Overdraft Facility from Banks	-	-
(b) Short Term Loan From Bank	472.80	200.82
Total	2,323.52	1,663.97

Cash credit from banks are repayable on demand and are secured by hypothecation of Stock and Debtors and pari-passu second charge on factory land and building at Ahmednagar.

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Notes to financial statements for the period ended March 31, 2026

PARTICULARS	Rs. in Lakhs	
	March 31, 2026	March 31, 2025
Note - 22 : Trade payables		
Unsecured :		
(a) Trade payables	4,285.77	4,265.92
Total	4,285.77	4,265.92

Aging Schedule as on March 31, 2026

Particulars	Less than 6 months	6 months - 1 year	1 - 2 years	2 -3 years	More Than 3 Years	Total
Micro, Small & Medium Enterprises	134.41	41.94	9.12	7.15	-	192.62
Creditors other than MSME	3143.25	838.68	111.22	-	-	4093.15

Aging Schedule as on March 31, 2025

Particulars	Less than 6 months	6 months - 1 year	1 - 2 years	2 -3 years	More Than 3 Years	Total
Micro, Small & Medium Enterprises	152.72	63.00	11.13	-	-	226.85
Creditors other than MSME	3524.14	408.05	106.87	-	-	4039.06

Note - 23 : Other Current Financial Liabilities

(a) Current maturities of long-term debt	224.40	107.35
(b) Interest accrued and due on borrowings	-	-
(c) Interest accrued but not due on borrowings	3.28	4.52
(d) Other payables		
(i) Premium payable on Redemption of Debentures	-	-
(ii) Capital Creditors	-	-
(iii) Other Liabilities	239.95	251.99
Total	467.63	363.86

Note - 24 : Other Current Liabilities

(a) Other payables		
(i) Advance against Sales	284.12	1.03
(ii) Advance against Sales of Assets	9.13	667.13
(iii) Other Liabilities	233.55	122.82
Total	526.80	790.98

Note - 25 : Current Provisions

Provision for employee benefits :

(a) Gratuity	256.34	261.70
(b) Leave Encashment	24.92	33.45
Total	281.26	295.15

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Notes to financial statements for the period ended March 31, 2026

25.1 Employee benefits

a) Defined contribution plans

(i) Provident fund

The Company operates plan for its employees to provide employee benefits in the nature of "Provident fund" and "Employee Pension Schemes". Contributions are made at the rate as prescribed in the regulations. The Company has recognised following amount in the statement of profit and loss:

Particulars	March 31, 2026	March 31, 2025
Provident fund	52.10	55.22
Employees Pension Scheme	65.81	65.23
Total	117.91	120.45

b) Defined benefit plan

(i) Gratuity

In accordance with the Payment of Gratuity Act, 1972, the Company is required to provide post-employment benefit to its employees in the form of gratuity. The Company has maintained a fund with Reliance Nippon Life Insurance Company Limited of India, to meet its gratuity obligations. In accordance with the Standard, the disclosures relating to the Company's gratuity plan are provided below:

Particulars	March 31, 2026	March 31, 2025
Gratuity		
Non-current	217.70	147.48
Current	256.34	261.70
Total	474.04	409.18

The changes in the present value of defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows:

Particulars	March 31, 2026	March 31, 2025
Present value of obligation as at the beginning of the period	407.80	481.16
Interest cost	25.26	29.63
Past service Cost - Gratuity	75.51	0.00
Current service cost	25.70	16.82
Benefits paid	(61.38)	(139.14)
Remeasurements on obligation - (gain) / loss	(5.61)	19.32
Present value of obligation as at the end of the period	467.28	407.80

The changes in the fair value of planned assets representing reconciliation of opening and closing balances thereof are as follows:

Particulars	March 31, 2026	March 31, 2025
Fair value of plan assets at the beginning of the period	30.42	28.48
Adjustment to opening funds		
Interest income	2.04	2.05
Contributions	-	-
Benefits paid	-	-
Monthly charges and Taxes	(0.30)	(0.38)
Transfer In / (Out)	-	-
Return on plan assets, excluding amount recognized in interest income - gain / (loss)	(0.83)	0.27
Fair value of plan assets as at the end of the period	31.33	30.42

Amounts recognised in the balance sheet are as follows:

Particulars	March 31, 2026	March 31, 2025
Present value of obligation as at the end of the period	467.28	407.80
Fair value of plan assets as at the end of the period	31.32	30.42
Surplus / (deficit)	(435.96)	(377.38)

Amounts recognised in the statement of profit and loss are as follows:

Particulars	March 31, 2026	March 31, 2025
Current service cost	25.70	16.82
Net interest (income) / expense	23.23	27.58
Net periodic benefit cost recognised in the statement of profit and loss	48.93	44.40

Amounts recognised in the statement of other comprehensive income (OCI) are as follows:

Particulars	March 31, 2026	March 31, 2025
Remeasurement for the year - obligation (gain) / loss	(5.61)	19.32
Remeasurement for the year - plan assets (gain) / loss	0.83	(0.27)
Total remeasurements cost / (credit) for the year	(4.78)	19.05

Net interest (income) / expense recognised in statement of profit and loss are as follows:

Particulars	March 31, 2026	March 31, 2025
Interest (income) / expense - obligation	25.27	29.63
Interest (income) / expense - plan assets	(2.04)	(2.05)
Net interest (income) / expense for the year	23.23	27.58

Principal actuarial assumptions used in determining gratuity benefit obligations for the Company's plans are as follows:

Particulars	March 31, 2026	March 31, 2025
Discount rate	7.20%	6.70%
Rate of increase in compensation levels	3.00%	3.00%
Expected rate of return on plan assets	6.70%	7.20%
Expected average remaining working lives of employees (in years)	6.83	7.51
Withdrawal rate		
Age upto 30 years	10.00%	10.00%
Age 31 - 40 years	10.00%	10.00%
Age 41 - 50 years	10.00%	10.00%
Age above 50 years	10.00%	10.00%

* It is actuarially calculated term of the liability using probabilities of death, withdrawal and retirement.

A quantitative sensitivity analysis for significant assumptions are shown as follows:

Sensitivity analysis indicates the influence of a reasonable change in certain significant assumptions on the outcome of the present value of obligation (PVO) and aids in understanding the uncertainty of reported amounts. Sensitivity analysis is done by varying (increasing/ decreasing) one parameter by 100 basis points (1%) at a time:

a) Impact of change in discount rate when base assumption is decreased / increased by 100 basis point

	Present value of obligation	
Discount rate	March 31, 2026	March 31, 2025
Decrease by 1%	480.07	417.31
Increase by 1%	455.69	399.13

b) Impact of change in salary increase rate when base assumption is decreased / increased by 100 basis point

	Present value of obligation	
Salary increment rate	March 31, 2026	March 31, 2025
Decrease by 1%	457.43	400.86
Increase by 1%	477.98	415.31

c) Impact of change in withdrawal rate when base assumption is decreased / increased by 100 basis point

	Present value of obligation	
Withdrawal rate	March 31, 2026	March 31, 2025
Decrease by 1%	464.13	405.94
Increase by 1%	470.16	409.50

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Notes to financial statements for the period ended March 31, 2026

PARTICULARS	March 31, 2026	Rs. in Lakh March 31, 2025
Note - 26 : Revenue from operations		
(a) Sale of Products	15,718.62	14,193.21
(b) Machining and Processing Receipts	14.74	19.51
(c) Other operating revenue	41.48	33.74
Total	15,774.83	14,246.45
Note - 27 : Other income		
(a) Interest Income		
(i) On Fixed Deposits	125.46	17.24
(ii) From Others	4.60	4.26
(b) Dividend Income from:		
(i) Long Term Investment	7.72	7.39
(ii) Short Term Investment		
(c) Profit / (Loss) on sale of Assets	464.08	1,028.93
(d) Profit / (Loss) on sale of Investments	-	16.049
(e) Sundry Credit Balances Written Back	8.86	-
(f) Excess Provision Written Back	-	-
(g) Amortisation of deferred financial assistance		
(i) From related parties	-	-
(ii) From others	-	33.20
(h) Fair Valuation (Gain)/Loss on Investments	7.00	14.25
(i) Others	248.06	159.24
Total	865.77	1,280.56
Note - 28 : Cost of material consumed		
(a) Raw Material Consumed	7,608.30	6,378.33
(b) Stores and Spares Consumed	1,085.48	994.11
(c) Fabrication and Processing Charges	500.74	390.35
(d) Freight, Octroi and Forwarding Charges	87.52	78.43
Total	9,282.05	7,841.22
Note - 29 : Changes in inventories of finished goods and work-in-progress		
Inventory at the end of the year		
(a) Finished Goods	217.23	-
(b) Work-In- Progress	3,776.33	3,225.66
Total	3,993.56	3,225.66
Inventory at the beginning of the year		
(a) Finished Goods	-	-
(b) Work-In- Progress	3,225.66	3,131.13
Total	3,225.66	3,131.13
Increase (-) / decrease (+) in inventories	(767.90)	(94.53)

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Notes to financial statements for the period ended March 31, 2026

PARTICULARS	Rs In Lakhs	
	March 31, 2026	March 31, 2025
Note - 30 : Employee benefit expenses		
(a) Salaries & wages	2,165.29	1,945.53
(b) Contributions to provident and other funds	160.49	137.81
(c) Gratuity	51.48	44.78
(d) Staff welfare expenses	172.48	112.06
Total	2,549.74	2,240.17

Note - 31 : Finance costs

(a) Interest expense	560.60	453.87
(b) Unwinding of Loans		
(i) Related party loans	-	-
(ii) Other loans	-	8.38
(c) Other Borrowing Costs	21.89	27.96
Total	582.49	490.21

Note - 32 : Other expenses

(a) Power & Fuel	1,823.22	1,585.81
(b) Repairs and Maintenance:		
(i) Plant and Machinery	167.27	166.25
(ii) Buildings	10.22	3.66
(iii) Others	11.97	3.24
(c) Contract Labour cost	1,202.32	1,130.04
(d) Rent	11.27	18.00
(e) Outward Freight Charges	223.71	185.19
(f) Packing and Forwarding Charges	96.99	64.60
(g) Legal, Professional & Consultancy Fee	282.07	225.60
(h) Rates and taxes	19.76	17.86
(i) Travelling Expenses	62.43	46.38
(j) Insurance	8.97	28.10
(k) Payments to auditor (Refer details below)	5.74	4.62
(l) Custom Duty Paid (Net)	0.87	1.37
(m) Publicity & Sales Promotion	5.80	6.06
(n) Directors Fees & Travelling Expenses	2.35	2.67
(o) Maintenance Other	46.07	43.26
(p) Miscellaneous Expenses	261.23	264.86
	4,242.28	3,797.58
(q) Less: Expenses Capitalised	42.76	38.96
Total	4,199.53	3,758.62

Details of payments to Auditors

Audit Fee	4.28	3.40
Tax Audit Fee	0.69	0.60
Limited review and Certification work	0.92	0.80
Total	5.89	4.80

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

Note - 33 : Income Taxes

As per Ind As 12 An explanation of the relationship between tax expense (income) and accounting profit in either or both of the following forms need to be disclosed:
- a numerical reconciliation between tax expense (income) and the product of accounting profit multiplied by the applicable tax rate, disclosing also the basis on which the applicable tax rate is computed;
or
- a numerical reconciliation between the average effective tax rate and the applicable tax rate, disclosing also the basis on which the applicable tax rate is computed;
The above said reconciliation will not arise in situations where there is accounting losses to taxable Income.

Note - 34 : Financial instruments – Fair values and risk management

March 31, 2026	Carrying amount				Fair value			
	Amortised Cost	FVTPL	FVTOCI	Total	Level 1	Level 2	Level 3	Total
Non-Current Financial Assets								
Investments								
Quoted Equity Instruments	-	-	1.99	1.99	1.99	-	-	1.99
Unquoted Equity Instruments *	-	-	132.15	132.15	-	132.15	-	132.15
Unquoted Preference Shares	-	257.71	-	257.71	-	-	257.71	257.71
Other Financial Assets	-	0.24	-	0.24	-	-	0.24	0.24
Current Financial Assets								
Current Investments	-	-	-	-	-	-	-	-
Trade Receivables	3,540.70	-	-	3,540.70	-	-	-	-
Cash and Cash Equivalents	3,911.36	-	-	3,911.36	-	-	-	-
Other Bank Balances	44.01	-	-	44.01	-	-	-	-
Loans	3.65	-	-	3.65	-	-	-	-
Other Financial Assets	8.66	-	-	8.66	-	-	-	-
	7,508.39	257.95	134.14	7,900.48	1.99	132.15	257.95	392.09
Non-Current Financial Liabilities								
Borrowings	4,734.14	-	-	4,734.14	-	-	-	-
Current Financial Liabilities								
Borrowings	2,323.52	-	-	2,323.52	-	-	-	-
Trade Payables	4,285.77	-	-	4,285.77	-	-	-	-
Other Financial Liabilities	467.63	-	-	467.63	-	-	-	-
	11,811.05	-	-	11,811.05	-	-	-	-

March 31, 2025	Carrying amount				Fair value			
	Amortised Cost	FVTPL	FVTOCI	Total	Level 1	Level 2	Level 3	Total
Non-Current Financial Assets								
Investments								
Quoted Equity Instruments	-	-	2.29	2.29	2.29	-	-	2.29
Unquoted Equity Instruments *	-	-	124.87	124.87	-	124.87	-	124.87
Unquoted Preference Shares	-	257.71	-	257.71	-	-	257.71	257.71
Other Financial Assets	-	0.24	-	0.24	-	-	0.24	0.24
Current Financial Assets								
Current Investments	-	-	-	-	-	-	-	-
Trade Receivables	3,759.99	-	-	3,759.99	-	-	-	-
Cash and Cash Equivalents	3,725.67	-	-	3,725.67	-	-	-	-
Other Bank Balances	53.83	-	-	53.83	-	-	-	-
Loans	3.65	-	-	3.65	-	-	-	-
Other Financial Assets	1.29	-	-	1.29	-	-	-	-
	7,544.44	257.96	127.16	7,929.56	2.29	124.87	257.95	385.12
Non-Current Financial Liabilities								
Borrowings	4,371.43	-	-	4,371.43	-	-	-	-
Current Financial Liabilities								
Borrowings	1,663.97	-	-	1,663.97	-	-	-	-
Trade Payables	4,265.92	-	-	4,265.92	-	-	-	-
Other Financial Liabilities	363.86	-	-	363.86	-	-	-	-
	10,665.19	-	-	10,665.19	-	-	-	-

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of instrument is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

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

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

Note - 35 : Financial risk management

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

- Credit risk ;
- Liquidity risk ; and
- Market risk

(A) Credit risk

Credit risk arises from cash and cash equivalents, deposits with banks, security deposits, as well as credit exposure to outstanding receivables.

Credit risk management

The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and other financial instruments. For banks and other financial institutions, only high rated banks/ financial institutions are accepted. The balances with banks, loans given to employees, security deposits are subject to low credit risk and the risk of default is negligible or nil. Hence, no provision has been made for expected credit loss for credit risk arising from these financial assets.

Trade receivables

Credit risk arises from the possibility that customer will not be able to settle their obligations as and when agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, analysis of historical bad debts, ageing of accounts receivable and forward looking information. Individual credit limits are set accordingly. The credit risk is considered low given the past experience of negligible or minimal write-offs.

The ageing of trade receivables are as follows:

Particulars	Rs. in Lakhs	
	March 31, 2026	March 31, 2025
Not past due date	2,153.97	2,353.17
Past due 1–90 days	656.90	1,002.86
Past due 91–180 days	110.37	129.16
Past due more than 180 days	619.46	274.81
Total Trade receivables	3,540.70	3,759.99

(B) Liquidity risk

Liquidity risk is the risk that the Company may encounter difficulty in meeting its obligations. The Company monitors rolling forecast of its liquidity position on the basis of expected cash flows. The company has obtained fund based / Non-fund based working capital facilities from banks.

Exposure to liquidity risk

The tables below analyse the Company's non-derivative financial liabilities into relevant maturity group based on their contractual maturities:

March 31, 2026	Rs. in Lakhs		
	< 1 year	1 to 3 years	> 3 years
Non-derivative liabilities			
Borrowings	2,323.52	449.33	4,284.81
Trade payables	4,285.77	-	-
Other financial liabilities	467.63	-	-
Total non-derivative liabilities	7,076.91	449.33	4,284.81

March 31, 2025	< 1 year	1 to 3 years	> 3 years
Non-derivative liabilities			
Borrowings	1,663.97	382.63	3,988.80
Trade payables	4,265.92	-	-
Other financial liabilities	363.86	-	-
Total non-derivative liabilities	6,040.93	382.63	3,988.80

(C) Market risk

(i) Foreign currency risk

Foreign currency risk means the risk that the result or economic situation of the Company changes due to changes in exchange rates. The Company is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency which is not the Company's functional currency (INR). The risk is measured through a forecast of highly probably foreign currency cash flows.

(a) The Company's exposure to foreign currency risk at the end of the year are as follows :-

			Rs. in Lakhs
Particulars	Currency	Exposure in F.C.	Exposure in INR
<i>Financial Assets</i>			
Trade receivables	USD		
As at March 31, 2026		14.05	1,269.59
As at March 31, 2025		18.74	1,583.88
<i>Financial Liabilities</i>			
Trade Payables	USD		
As at March 31, 2026		0.11	8.34
As at March 31, 2025		0.03	2.30
Net Exposure as at March 31, 2026		13.94	1,261.25
Net Exposure as at March 31, 2025		18.71	1,581.58

(b) Sensitivity analysis:

Particulars	Rs. in Lakhs	
	Impact on profit before tax	
	March 31, 2026	March 31, 2025
USD sensitivity		
USD/INR - Increase by 5% *	63.06	79.08
USD/INR - Decrease by 5% *	(63.06)	(79.08)

*Holding all other variables constant

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The interest rate risk can also impact the provision for retiral benefits. The Company Interest rate risk is linked to PLR rates therefore subject to interest rate risk, carrying amount and future cash flows will fluctuate because of change in the market interest rates (PLR Rates).

Sensitivity: Particulars	Rs. in Lakhs	
	Impact on profit before tax	
	March 31, 2026	March 31, 2025
Change		
25 Basis Points increase	(14.56)	(12.26)
25 Basis Points decrease	14.56	12.26

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

Note - 36 : Capital Management

The Company's objective for capital management is to maximize shareholder wealth, safeguard business continuity and support the growth of the Company. The Company determines the capital management requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through optimum mix of borrowed and own funds.

The Company's adjusted net debt to equity position are as follow:

Particulars	Rs. in Lakhs	
	March 31, 2026	March 31, 2025
Net debt	7,057.66	6,035.40
Less: Cash and Cash Equivalents	3,955.37	3,779.50
Less: Current Investments	-	-
Adjusted net (Cash)/Debt	3,102.28	2,255.90
Total equity	16,314.65	11,735.80
Net debt to equity ratio	0.19	0.19

Note - 37 : Segment Reporting

The business activities of the Company from which it earns revenues and incurs expenses; whose operating results are regularly reviewed by the chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available which involves predominantly one operating segment i.e. automotive components.

Note - 38 : Contingencies and commitments

Particulars	Rs. in Lakhs	
	March 31, 2026	March 31, 2025
Contingent Liabilities:		
Claim against Company not acknowledged as debt	10.72	26.07
Other money for which the company is contingently liable		
Income Tax matter under appeal approx	5.75	5.75
Sales Tax matter under appeal	9.17	9.17
Excise Duty in dispute	56.79	111.74
ESIC liability in dispute	1.26	1.26
Labour Cases	37.92	37.92
Entry Tax in dispute	6.19	6.19
Other Compensation Matters	15.00	15.00
Goods & Service tax	32.66	21.47
Commitments :		
Estimated amount of contracts remaining to be executed on capital account and not provided for;	1,292.56	1,633.72

Note - 39 : Earnings per share

Particulars	Rs. in Lakhs	
	March 31, 2026	March 31, 2025
Basic and diluted earnings per share		
a) Profit after tax attributable to the equity holders of the company (Rs. In Lakhs)	103	623
b) Weighted average number of equity shares outstanding (Nos.)(Basic)	2,37,96,570	2,21,86,456
c) Earnings per share		
- Basic	0.43	2.89
d) Weighted average number of equity shares outstanding (Nos.)(Diluted)	2,42,47,947	2,24,77,369
e) Earnings per share		
- Diluted	0.42	2.86

KINETIC ENGINEERING LIMITED

D-1 Block, Plot No. 18 / 2, MIDC, Chinchwad, Pune - 411 019

CIN : L35912MH1970PLC014819

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

Note - 40 : Company has purchased six bills of exchange and paid Rs. 206.65 Lakhs (Rs. 206.65 Lakhs) for the same. These bills have matured but have not been honoured. Company has filed suits in the High Court of Judicature at Bombay.

Note - 41 : In terms of the Notification dated March 31, 2009 by The Ministry of Corporate Affairs amending the erstwhile Ind AS -21 "The Effects of Changes in Foreign Exchange Rates", the company had exercised the option to recognize the exchange difference on long term non-monetary items retrospectively from the accounting period 2007-08. Such exchange differences relating to the acquisition of capital assets are adjusted to the cost of capital and would be depreciated over the balance life of the asset. Exchange difference amounting to **Rs. 125.41** Lakhs (Rs. 200.24 Lakhs) has been carried in the Fixed Assets as on March 31, 2026.

Note - 42 : Disclosure as required under Micro Small and Medium Enterprises Development Act, 2006

PARTICULARS	Rs. in Lakhs	
	March 31, 2026	March 31, 2025
i. Principal amount remaining unpaid to any supplier as at the end of the accounting year	192.62	
ii. Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	8.35	
iii. The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	
iv. The amount of interest due and payable for the year	8.35	
v. The amount of interest accrued and remaining unpaid at the end of the accounting year	8.35	

The information as required to be disclosed under Micro, Small and Medium Enterprises Development Act, 2006 is determined to the extent such parties have been identified on the basis of information made available with the company.

Note - 43 : Related Party Transactions

a) Name of Related Parties

Name of Related Parties	Relation
Kinetic Communications Ltd.	Group Companies
Microage Instruments Pvt. Ltd.	Group Companies
Kinetic Hyundai Elevator & Movement Technologies Ltd.	Group Companies
Kinetic Green Energy & Power Solutions Limited.	Entity having common Promoter
Kinetic Watts & Volts Limited.	Subsidiary

b) Key Management Personnel

Chairman	Mr. Arun Hastimal Firodia
Vice Chairman & Managing Director	Mr. Ajinkya Arun Firodia
Chief Financial Officer	Mr. Vinayak Jayaam Shevade
Company Secretary & Compliance officer	Mr. Chaitanya Mundra
Non-executive director	Mrs. Jayashree Arun Firodia
Non-executive Non-Independent Director	Mr. Shashikant Shivanand Gulve
Independent Director	Mr. Jinendra Hirachand Munot
	Mr. Rohit Prakash Bafana
	Mr. Dattatray Parvati Navale
	Mr. Achal Shirish Kotecha
	Mr. Venkataiah Madipalli

c) Transactions and balances with related parties have been set out below:

Particulars	Rs. in Lakhs	
	March 31, 2026	March 31, 2025
Kinetic Green Energy & Power Solutions Limited.		
Sales of Goods	892.77	1,312.05
Reimbursement of Expenses	22.41	26.54
Rent Received	232.43	181.57
Purchase of Goods	23.67	32.39
Paint Shop Work	15.70	23.00
Kinetic Hyundai Elevator & Movement Technologies Ltd.		
Dividend Received	7.20	6.91
Kinetic Communication Ltd		
Dividend Received	0.48	0.48
Reimbursement of expenses	0.00	1.77
Sales of Goods	0.00	0.04
Micro Age Instruments Pvt Ltd		
Reimbursement of expenses	6.43	27.90
Electricity Charges Paid (Solar)	87.13	97.37
Kinetic Watts & Volts Ltd		
Sales of Goods	359.96	285.79
Reimbursement of expenses	37.17	9.01
Remuneration to Key Managerial Persons		
Mr. Ajinkya Arun Firodia	113.09	106.10
Mr. Chaitanya Mundra	18.30	17.67
Mr. Vinayak Jayaram Shevade	54.00	6.75
Director Sitting Fee		
Mrs. Jayashree Arun Firodia	0.28	0.35
Mr. Rohit Prakash Bafna	0.41	0.41
Mr. Jinendra Hirachand Munot	0.41	0.46
Mr. Venkataiah Madipalli	0.41	0.55
Mr. Achal Shirish Kotecha	0.31	0.46
Mr. Dattatray Parvati Navale	0.41	0.36
Mr. Shashikant Shivanand Gulve	0.14	-

KINETIC ENGINEERING LIMITED

D-1 Block, Plot No. 18 / 2, MIDC, Chinchwad, Pune - 411 019
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Notes to financial statements for the period ended March 31, 2026

Note - 44 : Ratios

Sr No	Particulars	Numerator	Denominator	KEL	March 31, 2025
a)	Current Ratio (Times)	Current Assets	Current Liabilities	2.03	1.83
b)	Debt- Equity Ratio (Times)	Net Debt	Equity	0.19	0.19
c)	Debt Service Coverage Ratio (Times)	PBIDTA	Principal + Interest Repayment of loans during the year	1.71	1.05
d)	Return on Equity Ratio (Percentage)	Net Profit	Average Shareholders'	0.62%	6.86%
e)	Inventory Turnover Ratio (Times)	Cost of Material Consumed	Average Inventory	1.39	1.47
f)	Trade Receivables Turnover Ratio (Times)	Total Sales	Average Trade Receivables	4.32	4.12
g)	Trade Payables Turnover Ratio (Times)	Total Purchases	Average Trade Payables	2.76	2.53
h)	Net Capital Turnover Ratio (Times)	Total Sales	Average working capital	2.21	3.53
i)	Net Profit Ratio (Percentage)	Net Profit	Total Sales	0.55%	4.37%
j)	Return on Capital Employed (Percentage)	PBIDTA	Average Capital Employed	0.47%	4.89%
k)	Return on investment	Profit earned from investment	Total Investment (Avg)	3.79	5.93

Notes

- Current ratio improved due to increase in current assets.
- Debt Service Coverage Ratio has improved due to lower debt servicing during the current year.
- Return on Equity ratio and Return on Capital Employed ratio has gone down due to increase in equity and reduction in net profit.
- Net Capital Turnover Ratio was impacted due to increase in average working capital.
- Net Profit Ratio is impacted due to lower net profit.
- Return on investment has gone down due to lower return.

Note - 45 : Additional Regulatory Disclosures as per Schedule III of Companies Act, 2013

- The Title deeds of the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.
- The Company does not have any investment property.
- There is no revaluation of Property, Plant and Equipment (including Right of Use Assets) and intangible assets during the year, hence the revaluation related disclosures required as per Additional Regulatory Information of Schedule III (revised) to the Companies Act, is not applicable.
- The Company has not granted Loans or Advances in the nature of loan to any promoters, Directors, KMPs and the related parties (As per Companies Act, 2013) , which are repayable on demand or without specifying any terms or period of repayments.
- Capital-Work-in Progress (CWIP)

Ageing schedule of capital work in progress :-

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress					
1. EPC SOLAR Project - Yevatmal	-	1,257.01	-	-	1,257.01
2 Plant & Machinery	3.50	-	-	-	3.50
3 Civil work - LPG Plant Foundation	8.95	-	-	-	8.95
4 Project ERP Implementation	28.50	-	-	-	28.50
5 Capital Advance	880.39	-	-	-	880.39
TOTAL	921.34	1,257.01	-	-	2,178.35
Projects temporarily suspended	-	-	-	-	-

- Intangible assets under development : NA
- No proceedings have been initiated or pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
- The Company has been sanctioned facilities from banks on the basis of security of current assets in excess of Rs 5 Cr. The Quarterly returns or statements of current assets filed by the Company with such banks are in agreement with the books of accounts of the Company taking into account notes given in the said statements.
- The Company has not been declared as wilful defaulter by any of the lenders.
- There are no transactions with the Companies whose name are struck off under Section 248 of The Companies Act, 2013 or Section 560 of the Companies Act, 1956 during the year ended March 31, 2026
- All applicable cases where registration of charges or satisfaction is required to be filed with Registrar of Companies have been filed. No registration or satisfaction is pending at the year ended March 31, 2026.
- Compliance with number of layers of companies - NA

NOTES

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

(xiv) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiary.

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

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

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

(xvi) The Company has not operated in any crypto currency or Virtual Currency transactions.

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

(xviii) Corporate Social Responsibility : Provisions of 135 of companies act 2013 are not applicable to company.

(xiv)

(Rs in lakhs)

Name of the entity	Net Assets		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated assets	Amount	As % of consolidated profit or loss	Amount	As % of other consolidated comprehensive income	Amount	As % of total comprehensive income	Amount
1. Parent Kinetic Enginnering Ltd	49%	8053.72	265%	230.81	164%	4.78	261%	235.59
2. Subsidiaries (Indian) Kinetic Watts & Volts	51%	8260.93	-165%	(143.63)	-64%	(1.86)	-161%	(145.49)
Total	100%	16314.65	100%	87.18	100%	2.92	100%	90.10

As per our report of even date
For **Pawan Jain And Associates**
Chartered Accountants

For and on behalf of Board of Directors
For **Kinetic Engineering Limited**

CA Pawan Jain
Partner
Membership Number: 032900
Firm Reg No.: 0107867W
Place : Pune
Date: May 29, 2026
UDIN: 26032900IYYUDJ8908

Arun Fiordia
(Chairman)
DIN:00057324

Ajinkya Fiordia
(Vice Chairman & Managing Director)
DIN:00332204

Vinayak Shevade
(Chief Financial Officer)

Chaitanya Mundra
(Company Secretary)

NOTES

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Arun Hastimal Firodia
Chairman

Mr. Ajinkya Arun Firodia
vice Chairman & Managing Director

Mrs. Jayashree Arun Firodia
Non-Executive Director

Mr. Jinendra Hirachand Munot
Independent Director

Mr. Venkataiah Madipalli
Independent Director

Mr. Dattatray Parvati Navale
Independent Director

Mr. Achal Shirish Kotecha
Independent Director

Mr. Rohit Prakash Bafana
Independent Director

Mr. Shashikant Shivanand Gulve
Non-Executive Non-Independent Director

CHIEF FINANCIAL OFFICER
Mr. Vinayak Jayaram Shevade

**COMPANY SECRETARY & COMPLIANCE
OFFICER**
Mr. Chaitanya Mundra

STATUTORY AUDITOR
M/s. Pawan Jain & Associates
Chartered Accountants

SECRETARIAL AUDITOR
M/s. Dinesh Birla & Associates
Company Secretaries

REGISTERED OFFICE

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Chinchwad, Pune Pin - 411019.
Phone no.: + 91-020-66142049
Fax no. + 91-020-66142088/89
E-mail: kelinvestors@kineticindia.com
Website: www.kineticindia.com.
CIN: L35912MH1970PLC014819

REGISTRAR & TRANSFER AGENT

MUFG Intime India Private Limited
(Formerly Link Intime India Private Limited
Block No. 202, Akshay Complex,
Near Ganesh Temple, Off Dhole Patil Road,
Pune Pin – 411001.
Phone No.: 020 – 26160084, 26161629
Tele Fax No.: 020 – 26163503
E-mail Id: pune@linkintime.co.in

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For more investor-related
information, please visit:

www.kineticindia.com

OR SIMPLE SCAN

