

GROTEK ENTERPRISES PRIVATE LTD (Subsidiary of Yuken India Limited) An ISO 9001:2008 Company Phone: +91 9845191995 E-mail: hmn_rao@yukenindia.com		
CIN	U29220KA1997PTC023210	
Regd. Office:	No.16/c, Doddanekundi Industrial Area, Mahadevapura post, Bangalore 560048	
Factory :	SY No.52, Hedeginabele Village, Madivala Post, Malur Taluk, Kolar District-563130	
GSTIN No:	29AABCG0525F1ZU	

NOTICE OF TWENTY-NINTH (29th) ANNUAL GENERAL MEETING

NOTICE is hereby given that the 29th Annual general Meeting of the Members of Grotek Enterprises Private Limited will be held on Wednesday, July 22, 2026, at 10:00 AM at No. 16-C, Doddanekundi Industrial Area, II Phase, Mahadevapura, Bengaluru - 560048, Karnataka, India to transact the following business:

ORDINARY BUSINESS:

1. **To receive, consider and adopt the audited standalone and consolidated financial statements of the Company for the Financial Year ended March 31, 2026, and the reports of the Board of Directors and the Auditors thereon.**
2. **To appoint a director in place of Mr. C P Rangachar (DIN: 00310893) who retires by rotation and being eligible, offers himself for re-appointment.**
3. **To appoint Statutory Auditors and to determine their remuneration. For this purpose, to consider and if deemed fit, to pass, with or without modification, the following Resolution as an Ordinary Resolution:**

RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, and based on the recommendation of the Board of Directors, M/s SGSK & Company, Chartered Accountants (Firm Registration No. 024539S), be and are hereby appointed as the Statutory Auditors of the Company to hold office for a term of five (5) consecutive years commencing from the conclusion of this 29th Annual General Meeting until the conclusion of the 34th Annual General Meeting of the Company, at such remuneration as may be determined by the Board of Directors of the Company from time to time in consultation with the Statutory Auditors.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to finalize and determine the remuneration payable to the



Statutory Auditors and to do all such acts, deeds, matters and things as may be necessary, proper or expedient for giving effect to this resolution.

RESOLVED FURTHER THAT any director of the Company, be and are hereby severally authorized to sign, execute and file the necessary e-forms, returns and other documents with the Registrar of Companies and such other authorities as may be required, and to do all such acts, deeds, matters and things as may be necessary, proper or expedient for giving effect to the foregoing resolution

SPECIAL BUSINESS

4. To appoint Mr. Venkatakrishnan A as Director

To Consider and if thought fit, to pass, with or without modifications the following resolution as an ordinary resolution

"RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, **Mr. Venkatakrishnan A (DIN: 08219189)**, who was appointed as an Additional Director of the Company by the Board of Directors with effect from May 18, 2026 and who holds office up to the date of this Annual General Meeting in terms of Section 161 of the Companies Act, 2013, be and is hereby appointed as a Director of the Company, liable to retire by rotation.

RESOLVED FURTHER THAT any Director of the Company be and is hereby severally authorised to do all such acts, deeds, matters and things as may be necessary, proper or expedient, including filing of necessary forms, returns and documents with the Registrar of Companies and other statutory authorities, and to take all such steps as may be required to give effect to this resolution."

**By order of the Board of Directors
For Grotek Enterprises Private Limited**



C P Rangachar

**C P Rangachar
Director
DIN: 00310893**

*B-4, Epsilon Villas,
Yemlur, Bengaluru South,
Bengaluru - 560037*

Notes

1. The explanatory statement setting out the material facts pursuant to section 102 of the Companies Act, 2013, relating to special business be transacted at the meeting is annexed.
2. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member of the Company. The instrument appointing proxy in order to be effective must be deposited at the registered office of the Company not less than 48 hours before the commencement of the Meeting.
3. Members/Proxies are requested to bring their attendance slip duly filled in for attending the Meeting.
4. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 will be available for inspection by the members at the AGM.
5. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the members at the AGM.
6. All documents referred to in the Notice and Explanatory Statement shall be available for inspection by the members at the Registered Office of the Company during business hours on all working days up to the date of the AGM.
7. Members seeking any information with regard to the accounts or any matter to be placed at the AGM are requested to write to the Company at least 7 days in advance so as to enable the management to keep the information ready.
8. Members are requested to bring their copy of the Annual Report to the Meeting as copies will not be distributed at the venue.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

The Board of Directors, at its meeting held on **May 18, 2026**, had appointed **Mr. Venkatakrishnan A (DIN: 08219189)** as an Additional Director of the Company pursuant to the provisions of Section 161 of the Companies Act, 2013. In terms of the said Section, he holds office as an Additional Director up to the date of the ensuing Annual General Meeting of the Company.

The Company has received consent from **Mr. Venkatakrishnan A** to act as a Director of the Company along with a declaration confirming that he is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013. The Company has also received requisite disclosures as prescribed under the Act.

The Board considers that the appointment of **Mr. Venkatakrishnan A** as a Director would be in the best interest of the Company, considering his experience and expertise. Accordingly, the Board recommends the resolution for approval of the members.

Except **Mr. Venkatakrishnan A**, being the appointee, none of the Directors, Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the resolution set out above.

The Board recommends the Ordinary Resolution set out in the Notice for approval of the members.

By order of the Board of Directors
For Grotek Enterprises Private Limited



C P Rangachar

C P Rangachar
Director

DIN: 00310893

**B-4, Epsilon Villas,
Yemlur, Bengaluru South,
Bengaluru - 560037**

ATTENDANCE SLIP
ANNUAL GENERAL MEETING OF GROTEK ENTERPRISES PRIVATE LIMITED

CIN: U29220KA1997PTC023210

Registered Office: No.16/C Doddanekundi Industrial Area, Mahadevpura -560048

Date: July 22, 2026

Time: 10:00 AM IST

Venue: No. 16-C, Doddanekundi Industrial Area, II Phase, Mahadevpura,
Bengaluru - 560048, Karnataka

**PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE
ENTRANCE OF THE MEETING HALL**

Name of the Member / Authorised Representative:

DP ID - Client ID / Folio No.:

No. of Shares Held:

Name of Proxy (if applicable): _____

I hereby record my presence at the **29TH Annual General Meeting of the Company**
to be held on July 22, 2026 at No. 16-C, Doddanekundi Industrial Area, II Phase,
Mahadevpura, Bengaluru - 560048, Karnataka at 10:00 AM IST

Signature of Member / Authorised Representative / Proxy: _____

Note:

1. Members/Proxies are requested to bring their copy of the Notice for reference at the Meeting.
2. This Attendance Slip will not be accepted without signature.

FORM NO. MGT-11**PROXY FORM**

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Company	Grotek Enterprises Private Limited
CIN	U29220KA1997PTC023210
Registered Office Address	No. 16-C, Doddanekundi Industrial Area, II Phase, Mahadevapura, Bengaluru – 560048, Karnataka

DETAILS OF MEMBER

Particulars	Details
Name of Member	
Registered Address	
E-mail ID	
Folio No. / DP ID – Client ID	
No. of Shares Held	

DETAILS OF PROXY

Particulars	Details
Name of Proxy	
Address	
E-mail ID	
Signature of Proxy	

I/We, being the member(s) of the above named Company, hereby appoint the above named person as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 29th Annual General Meeting of the Company to be held on Wednesday, July 22, 2026 at 10:00 AM IST and at any adjournment thereof in respect of the resolutions mentioned below:

RESOLUTIONS

Item No.	Resolution Description
1	To receive, consider and adopt the audited standalone and consolidated financial statements of the Company for the Financial Year ended March 31, 2026, and the reports of the Board of Directors and the Auditors thereon.
2	To appoint a director in place of Mr. C P Rangachar (DIN: 00310893) who retires by rotation and being eligible, offers himself for re-appointment.
3	To appoint Statutory Auditors and to determine their remuneration. For this purpose, to consider and if deemed fit, to pass, with or without modification, the following Resolution as an Ordinary Resolution:
4	To appoint Mr. Venkatakrishnan A as Director

Signed this ____ day of _____ 20__

| Signature of Member | _____ |

NOTES

1. A proxy need not be a member of the Company.
2. The proxy form must be deposited at the Registered Office of the Company not less than 48 hours before the time of the Meeting.
3. A person can act as proxy on behalf of not more than 50 members and holding not more than 10% of total share capital of the Company.

BOARD'S REPORT

**To,
The Members of
Grotek Enterprises Private Limited.**

The Board of Directors are pleased to present the 29th Annual Report of the Company together with the audited financial statements for the year ended March 31, 2026.

1. FINANCIAL RESULTS:

Financial highlights:

Particulars	(Rs. In Lakhs)	
	31-03-2026	31-03-2025
I. Income		
Revenue from Operations	8,858.34	9,394.54
Other Income	47.23	60.82
Total Income	8,905.57	9,455.36
II. Expenses		
Cost of materials consumed	4,178.09	4,485.57
Changes in inventories	6.15	(46.65)
Employee benefit expenses	765.40	685.06
Finance costs	243.93	212.20
Depreciation & amortisation	395.43	369.18
Other expenses	2,531.29	2,712.60
Total Expenses	8,120.29	8,417.96
III. Profit Before Tax	785.28	1,037.40
IV. Tax Expense	226.74	297.03

V. Profit After Tax	558.54	740.37
VI. Other Comprehensive Income (Net)	3.56	(5.44)
VII. Total Comprehensive Income	562.10	734.93
VIII. Earnings Per Share (₹)	11.15	14.78

A. PERFORMANCE REVIEW:

During the year under review, the Company recorded Total Income of ₹8,905.57 lakhs as against ₹9,455.36 lakhs in the previous year, reflecting a decline of 5.81%, primarily due to lower Revenue from Operations.

Total Expenses stood at ₹8,120.29 lakhs as against ₹8,417.96 lakhs, a reduction of 3.54%, supported by continued cost optimisation efforts.

Accordingly, Profit Before Tax stood at ₹785.28 lakhs as against ₹1,037.40 lakhs, while Profit After Tax stood at ₹558.54 lakhs as against ₹740.37 lakhs in the previous year. EPS stood at ₹11.15 as compared to ₹14.78.

Overall, the Company maintained a stable operational performance with continued focus on efficiency and cost control, despite moderation in revenue during the year.

2. ANNUAL RETURN:

As per Section 92 (3) of the Companies Act 2013, the Company shall place a copy of the annual return on the website of the Company, if any. Since the Company does not have its website, hence the web-link is not given.

3. NUMBER OF MEETINGS OF THE BOARD:

During the financial year 2025-26, there were 4 (Four) Board Meetings held on the following dates;

Sl. No.	Date of Board Meeting
1	May 23, 2025
2	August 2, 2025
3	October 31, 2025
4	February 9, 2026

4. DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to Section 134(5) of the Companies Act, 2013, the Directors hereby confirm that:

- A. In the preparation of the annual accounts for the financial year, the applicable accounting standards have been followed and there are no material departures requiring explanation;

- B. The Directors have selected appropriate 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 the end of the financial year and of the profit of the Company for that period;
- 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 other irregularities;
- D. The Directors have prepared the annual accounts on a going concern basis;
- E. The Directors have laid down internal financial controls to be followed by the Company, as applicable to subsidiaries of listed entities, and such internal financial controls are adequate and were operating effectively; and
- F. The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

5. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013:

During the year under review, the Company advanced an amount of ₹66,50,000/- to AEPL Grotek Renewable Energy Private Limited, a subsidiary of the Company, for business purposes and operational requirements. Since the transaction was entered into with a subsidiary company, the provisions of Section 186 of the Companies Act, 2013 relating to loans, guarantees, security and investments are not applicable to the said advance to the extent exempted under the Act

6. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES:

All contracts or arrangements with related parties, entered into or modified during the financial year were on an arm's length basis and in the ordinary course of the Company's business.

As per requirements of Indian Accounting Standard 24, the transactions with related parties are disclosed in the Note No. 29 of the Notes forming part of the financial statements in the Annual Report.

A statement in Form AOC-2 pursuant to the provisions of Clause (h) of sub-section (3) of section 134 of the Act read with sub-rule (2) of rule 8 of Companies (Accounts) Rules, 2014 is furnished in "**Annexure-2**" is forming part of this report.

7. DETAILS OF AMOUNTS TRANSFERRED TO RESERVES:

The Company has not transferred any amount to reserves during the year.

8. DIVIDEND:

Your directors do not recommend any dividend for the financial year ended March 31, 2026 to conserve cash for the future expansion.

9. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND:

The Company was not required to transfer any amounts in unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years to Investor Education and Protection Fund.

10. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION BETWEEN END OF FINANCIAL YEAR AND DATE OF REPORT:

There have been no material changes and commitments affecting the financial performance of the Company occurred between the end of the financial year of the Company to which the Financial Statements relate and the date of this Report.

11. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO UNDER SECTION 134(3)(m) OF THE COMPANIES ACT, 2013 READ WITH RULE 8(3) OF THE COMPANIES (ACCOUNTS) RULES, 2014:

In terms of clause (m) of sub-section (3) of section 134 of the Companies Act, 2013 and the rules framed there under, the particulars relating to conservation of energy, technology absorption and foreign earnings and outgo is given below:

1). CONSERVATION OF ENERGY:

The Company has taken several steps on continual basis to conserve energy. The details as below:

The Company has taken several initiatives on a continuous basis towards conservation of energy and improving energy efficiency across its operations. The details are as under:

- Installed 10 numbers of solar lights within the plant premises to reduce dependency on conventional electricity.
- Provided temperature controllers for furnace cooling towers for efficient energy utilisation.
- Installed 55 LED lighting fittings across the plant to reduce power consumption.
- Installed LED street lights on the road in front of the factory gate to improve energy efficiency.
- Continued procurement and usage of smaller size MS scrap for better material optimisation.
- Continued usage of cut and processed foundry returns to minimise raw material wastage.
- Used polycarbonate sheets in the new building to enhance natural illumination and reduce daytime electricity consumption.

- Installed higher efficiency IE3 motors for compressors to improve energy performance.
- Procured battery-operated forklift to reduce fuel consumption and promote cleaner operations.

The Company continues to evaluate and implement measures for energy conservation on an ongoing basis.

2). TECHNOLOGY ABSORPTION:

The Company has no activity relating to technology absorption.

3). FOREIGN EXCHANGE EARNINGS AND OUTGO:

Sl. No.	Particulars	As on 31.03.2026 (Amt in INR)	As on 31.03.2025 (Amt in INR)
01	Foreign Exchange Outgo	79,03,000	4,05,87,000
02	Foreign Exchange earning	6,65,47,000	6,20,55,000

12. DETAILS OF CHANGE IN NATURE OF BUSINESS, IF ANY:

There was no change in the nature of business of the Company during the year 2025-26.

13. BOARD OF DIRECTORS:

The Board comprises following Directors:

Sl. No	Name of the Directors	Designation
1.	C P Rangachar	Director
2.	H M Narasinga Rao	Director
3	T Parabrahman	Director

14. INDEPENDENT DIRECTORS:

The Company was not required to appoint Independent Directors under Section 149(4) and Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014 but Mr. T Parabrahman was appointed as Director as per the regulation 24 (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and necessary declarations were obtained.

15. KEY MANAGERIAL PERSONNEL:

The provisions of section 203 of Companies Act 2013 and Rule 8A of Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 would not apply to the Company. Accordingly, there are no Key Managerial personnel within meaning of section 203.

16. REMUNERATION POLICY:

The provisions of Section 178(1) of the Companies Act, 2013 is not applicable to Company. However, remuneration policy as adopted by the Company envisages

payment of remuneration according to qualification, experience and performance at different levels of the organization. The employees at the factory as well as those rendering clerical, administrative and professional services are suitably remunerated according to the industry norms.

17. SUBSIDIARY/ASSOCIATE:

AEPL Grotek Renewable Energy Private Limited is a subsidiary of the Company. The Accounts of AEPL Grotek Renewable Energy Private Limited is consolidated at the level of parent entity of the Company, Yuken India Limited.

Form AOC-1 detailing out salient features of financials of AEPL Grotek is enclosed with this report as **Annexure 1**.

18. STATUS OF THE COMPANY:

The Company is wholly owned subsidiary of **YUKEN INDIA LIMITED**.

19. INTERNAL FINANCIAL CONTROLS:

The Board has adopted the policies and procedures for ensuring the orderly and efficient conduct of business, including adherence to the 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 disclosures.

20. DEPOSITS:

During the year under review, your Company did not accept any deposit within the meaning of the provisions of Chapter V – Acceptance of Deposits by Companies read with the Companies (Acceptance of Deposits) Rules, 2014.

Pursuant to the Ministry of Corporate Affairs (MCA) notification amending the Companies (Acceptance of Deposits) Rules, 2014, the Company has filed with the Registrar of Companies (ROC) the requisite returns for outstanding receipt of money/loan by the Company, which is not considered as deposits

21. COMPLIANCE UNDER MATERNITY BENEFIT ACT, 1961:

The Company confirms that it is in compliance with the provisions of the **Maternity Benefit Act, 1961**. The Company provides maternity leave and other benefits to its women employees in accordance with the provisions of the Act. The Company also ensures compliance with the requirements relating to nursing breaks and the maintenance of prescribed records. Further, in accordance with the provisions of the Act, the Company has made arrangements for crèche facilities at its workplace, wherever applicable, in order to support the well-being of women employees and their children.

22. RISK MANAGEMENT POLICY:

Risks are events, situations or circumstances which may lead to negative consequences on the Company's businesses. Risk Management is a structured approach to manage uncertainty. Although the Company does not have a formal risk management policy but a formal enterprise-wide approach to Risk Management is

being adopted by the Company and key risks will now be managed within a unitary framework. Key business risks and their mitigation are also considered in the annual / strategic business plans and in periodic management reviews.

23. DETAILS OF REVISION OF FINANCIAL STATEMENTS:

There was no revision of the financial statements of the Company, during the year 2025-26.

24. CORPORATE SOCIAL RESPONSIBILITY:

The Company recognizes its responsibility towards society and is committed to conducting its business in a socially responsible and sustainable manner.

Pursuant to the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company is required to undertake Corporate Social Responsibility (CSR) activities. However, since the Company's CSR obligation does not exceed **₹50 Lakhs**, the requirement for constitution of a CSR Committee is not applicable and the functions of the CSR Committee are discharged by the **Board of Directors of the Company**.

The Company has adopted a **Corporate Social Responsibility Policy** which outlines the guiding principles for undertaking CSR initiatives in areas or subjects specified in **Schedule VII of the Companies Act, 2013**.

During the financial year under review, the Company has undertaken CSR activities in accordance with the applicable provisions of the Act and the CSR Policy of the Company.

The details of CSR activities undertaken during the year are provided in the **Annual Report on CSR Activities annexed to this Board's Report as Annexure 3**

25. SECRETARIAL STANDARDS:

The Company complies with all applicable mandatory secretarial standards issued by Institute of Company Secretaries of India.

26. THE DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONGWITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR:

There is no application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2013 as on March 31, 2026.

27. THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF:

Not Applicable.

28. DISCLOSURE FOR MAINTENANCE OF COST RECORDS AS PER SECTION 148(1):

During the year under review, the Company has maintained the books of accounts and other related records as per rules prescribed by the Central Government under section 148(1) of the Companies Act, 2013.

29. PARTICULARS OF EMPLOYEES:

During the year under review, the Company had no employees who earned remuneration beyond the limits specified under Section 197 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016.

30. HUMAN RESOURCES:

The management has always carried out systematic appraisal of performance and imparted training at periodic intervals. The Company has always recognized talent and has judiciously followed the principle of rewarding performance.

31. SHARE CAPITAL:

The Board provides following disclosures pertaining to Companies (Share Capital and Debentures) Rules, 2014:

Sl. No.	Particulars	Disclosure
1	Issue of Equity shares with differential rights	Nil
2	Issue of Sweat Equity shares	Nil
3	Issue of employee stock option	Nil
4	Provision of money by company for purchase of its own shares by trustees for the benefit of employees	Nil

As on March 31, 2026 the authorized share capital of the Company is Rs. 6,00,00,000/- consisting of 60,00,000 equity shares of Rs. 10/- each. The paid up Share Capital of the Company is Rs. 5,01,00,000/- consisting of 50,10,000 Equity Shares of Rs. 10/- each. During the year under review, Company has not issued any shares or any convertible instruments.

32. STATUTORY AUDITORS:

M/s. V K A N & ASSOCIATES, Chartered Accountants, Bengaluru have been appointed as statutory auditors of the Company at the Annual General Meeting held on 09th September, 2021, for a period of 5 years and to hold the office up to the conclusion Annual General Meeting of the Company to be held in the year 2026.

Further, the Auditors of the Company have not reported any fraud as specified under Section 143(12) of the Act. The Auditor's Report is enclosed with the financial statements.

33. SECRETARIAL AUDITORS:

As per the Regulation 16 (1) (c) of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 the Company is a material subsidiary of Yuken India

Limited for the FY 2025-26 and as per the provisions of regulation 24A of SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015, Secretarial Audit is applicable to Company.

Hence, Pursuant to the provisions of Section 204 of the Companies Act, 2013 and Rules made there under, the Company has appointed M/s. AAA & Co., Practicing Company Secretaries to undertake the Secretarial Audit of the Company for FY 2025-26. The Secretarial Auditors' Report for FY 2025-26 does not contain any qualifications. The Report of the Secretarial Audit attached as '**Annexure 4**' is forming part of this report.

34. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

Your Company has always believed in providing a safe and harassment free workplace for every individual working in the Company's premises through various interventions and practices. The Company always endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment.

The Company does not have a formal Anti Sexual Harassment policy in place but has adequate measures including checks and corrections in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013.

There is no complaint registered under the Act during the period under review.

35. DISCLOSURE REGARDING MATERNITY BENEFIT COMPLIANCE:

The Company has complied with the applicable provisions of the Maternity Benefit Act, 1961.

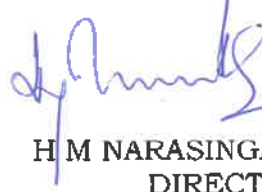
36. ACKNOWLEDGEMENTS:

Your Directors place on record their sincere thanks to the Customers, bankers, business associates, consultants, Regulatory authorities, various Government Authorities and all the stakeholders for their continued support extended to your Company's activities during the year. Your Directors also acknowledge their gratitude to the Shareholders of the Company, for their continuous support and confidence reposed on the Company. Your Directors wish to place on record their appreciation of the dedicated and untiring hard work put by the employees at all levels.

On behalf of the Board
For **GROTEK ENTERPRISES PRIVATE LIMITED**



C P RANGACHAR
DIRECTOR
DIN: 00310893



H M NARASINGA RAO
DIRECTOR
DIN: 00529717



Date: May 18, 2026
Place: Malur, Kolar,
Karnataka

B-4, Epsilon Villas, #8/A, Brindavan Layout,
Yemlur, Bengaluru South Subramanyapura Road,
Bengaluru-560037 Bangalore South, 560062

ANNEXURE 1

AOC-1

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

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

Part A Subsidiaries

Amounts in Lakhs

SL.NO	PARTICULARS	DETAILS
1	Name of the subsidiary	AEPL Grotek Renewable Energy Private Limited
2	The date since when subsidiary was acquired	January 21, 2022
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	April 01, 2025, to March 31, 2026 (Same as holding Company)
4	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	INR
5	Share capital	1,076
6	Reserves and surplus	(238.66)
7	Total assets	2,887.99
8	Total Liabilities	2,050.65
9	Investments	Nil
10	Turnover	145.79
11	Profit before taxation	(181.29)
12	Provision for taxation	Nil
13	Profit after taxation	(181.29)
14	Proposed Dividend	Nil
15	Extent of shareholding (in percentage)	51%

Part B- Associates-NIL

On behalf of the Board
For GROTEK ENTERPRISES PRIVATE LIMITED



C P RANGACHAR
DIRECTOR
DIN: 00310893



H M NARASINGA RAO
DIRECTOR
DIN: 00529717

Date: May 18, 2026
Place: Malur, Kolar,
Karnataka

B-4, Epsilon Villas, #8/A, Brindavan Layout,
Yemlur, Bengaluru South, Subramanyapuram Road,
Bengaluru-560037 Bengaluru South-560062



ANNEXURE-2
Form No. AOC-2

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 fourth proviso thereto

[Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 20

- 1. Name of the Company- Grotek Enterprises Private Limited**
- 2. Details of contracts or arrangements or transactions not at arm's length basis**

Number of contracts/Arrangements or transactions not at arm's length- Nil

Block-1	Details
Corporate identity number (CIN)	NA
Name(s) of the related party and nature of relationship	NA
Nature of contracts / arrangements / transactions	NA
Duration of the contracts / arrangements / transactions	NA
Salient terms of the contracts or arrangements or transactions including value, if any	NA
Justification for entering into such contracts or arrangements or transactions	NA
Date(s) of approval by the Board	NA
Amount paid as advances, if any	NA
Date on which special resolution was passed in general meeting, if required	NA
SRN of MGT-14	NA

- 3. Details of material contracts or arrangements or transactions at arm's length basis**

Number of material contracts or arrangements or transactions at arm's length-1

Block-1	Details
Corporate identity number (CIN)	L29150KA1976PLC003017
Name(s) of the related party and nature of relationship	Holding Company (Yuken India Limited is holding 100% of share capital of Grotek Enterprises Private Limited
Nature of contracts / arrangements / transactions	Sale of goods and services
Duration of the contracts / arrangements / transactions	Continuous one
Salient terms of the contracts or arrangements or transactions including value, if any	Sales of goods and services in the ordinary course of business worth INR 3,871.86 Lakhs
Justification for entering into such contracts or arrangements or transactions	The sale transaction with the Related Party is in the

	ordinary course of business of the Company and is undertaken to further its business objectives.
	The transaction pertains to the sale of goods/products/services that are routinely offered by the Company as part of its regular business operations.
Date(s) of approval by the Board	NA
Amount paid as advances, if any	1,117.67 Lakhs
Date on which special resolution was passed in general meeting, if required	NA
SRN of MGT-14	NA

All the related party transactions are in the ordinary course of business and on arm's length basis. Please refer to transactions reported in Note No 29 of the notes forming part of the financial statements in annual report.

On behalf of the Board
For **GROTEK ENTERPRISES PRIVATE LIMITED**

C P Rangachar

C P RANGACHAR
DIRECTOR
DIN: 00310893

H M Narasinga Rao

H M NARASINGA RAO
DIRECTOR
DIN: 00529717



Date: May 18, 2026
Place: Malur, Kolar,
Karnataka

B- 4, Epsilon Villas,
Yemlur, Bengaluru South,
Bengaluru - 560037

#8/A, Brindavan layout,
Subramanyapur Road,
Bengaluru South-560062

ANNEXURE-3

Annual Report on Corporate Social Responsibility Activities (CSR) [Pursuant to Section 135 of the Companies Act, 2013 read with Companies (CSR) Rules, 2014 as amended]

1. Brief outline on CSR Policy of the Company

The Corporate Social Responsibility ("CSR") Policy of the Company lays down the guiding principles and framework for undertaking CSR initiatives in accordance with the provisions of Section 135 of the Companies Act, 2013 and the rules made thereunder. The Policy focuses on creating sustainable value for society through initiatives in areas such as education, healthcare, environmental sustainability, rural development, skill development, women empowerment, and other activities as specified in Schedule VII of the Companies Act, 2013.

As the Company is not required to constitute a Corporate Social Responsibility Committee, the functions of the Committee are discharged by the Board of Directors in accordance with the applicable provisions of the Companies Act, 2013. The Board is responsible for approving, monitoring and reviewing the CSR activities and annual action plan. The Company undertakes CSR projects either directly or through eligible implementing agencies and ensures effective utilization of the prescribed CSR expenditure for the benefit of the community. The CSR Policy is available on the website of the Company.

CSR activities:

- Contribution to a charitable trust engaged in social welfare and community development activities aimed at supporting underprivileged sections of society.
- Support towards development of public infrastructure at the Gram Panchayat level to enhance basic civic amenities and local community facilities.
- Assistance to a trust involved in care, rehabilitation and support services for vulnerable and needy individuals, promoting social well-being and inclusion

2. Composition of CSR Committee:

As the Company is not required to constitute a Corporate Social Responsibility Committee, the functions of the Committee are discharged by the Board of Directors in accordance with the applicable provisions of the Companies Act, 2013.

3	Web-link where the Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company.	Company does not have active website
4	Executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in	Not applicable

	pursuance of sub-rule (3) of rule 8, if applicable	
5	(a). Average net profit of the Company as per sub-section (5) of section 135.	Rs.6,59,94,149
	(b). Two percent of average net profit of the Company as per sub-section (5) of section 135.	Rs. 13,19,883
	(c). Surplus arising out of the CSR Projects or programmes or activities of the previous financial years.	Nil
	(d). Amount required to be set-off for the financial year, if any.	Nil
	Total CSR obligation for the financial year [(b)+(c)-(d)].	Rs. 13,19,883
6	Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project).	Rs. 13,19,883
	Amount spent in Administrative Overheads	Nil
	Amount spent on Impact Assessment, if applicable	NA
	Total amount spent for the Financial Year [(a)+(b)+(c)]	Rs. 13,19,883

6.e. CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in `)	Amount Unspent (in Rupees)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
Rs. 13,19,883/-	Not applicable				

6.f. Excess amount for set off, if any:

Sl. No.	Particulars	Amount (in Rupees)
i	Two percent of average net profit of the Company as per section 135(5)	Rs. 13,19,883/-
ii	Total amount spent for the Financial Year	Rs. 13,19,883/-
iii	Excess amount spent for the financial year [(ii)-(i)]	NIL
iv	Surplus arising out of the CSR projects or programs or activities of the previous financial years, if any	Nil

v	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil
----------	---	-----

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

1 Sl. No	2 Preceding Financial Year	3 Amount transferred to Unspent CSR Account under subsection (6) of section 135 (in `Lakh	4 Balance Amount in Unspent CSR Account under subsection (6) of section 135 (in `Lakh)	5 Amount Spent in the Financial Year (in `Lakh)	6 Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		7 Amount remaining to be spent in succeeding financial year (in `Lakh)	8 Deficiency, if any
					Amount (in `).	Date of transfer.		
1	2024-25	Nil	Nil	Nil	Nil	Nil	Nil	Nil
2	2023-24	Nil	Nil	Nil	Nil	Nil	Nil	Nil
3	2022-23	Nil	Nil	Nil	Nil	Nil	Nil	Nil

8. Details of Capital Assets Created/Acquired during the Financial Year: Nil

9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5) – Not applicable.

On behalf of the Board
For **GROTEK ENTERPRISES PRIVATE LIMITED**

C P Rangachar *H M Narasinga Rao*

C P RANGACHAR
DIRECTOR
DIN: 00310893

H M NARASINGA RAO
DIRECTOR
DIN: 00529717

B-4, Epsilon Villas
Yemlur, Bengaluru South,
Bengaluru - 560037

#8/A, Brindavan Layout,
Subramanyapura Road,
Bengaluru South-560062

Date: May 18, 2026
Place: Malur, Kolar,
Karnataka

ANNEXURE 4

From 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,

GROTEK ENTERPRISES PRIVATE LIMITED

NO. 16-C, DODDANEKUNDI INDUSTRIAL AREA II PHASE,

MAHADEVAPURA BANGALORE 560048 IN.

We have conducted the secretarial audit of the compliance of the applicable statutory provisions and the adherence to good corporate practices by **GROTEK ENTERPRISES PRIVATE LIMITED** bearing CIN: U29220KA1997PTC023210 (hereinafter called The Company). Secretarial Audit was conducted in the manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the 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 the secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year 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:

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

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) act, 1956 ('SCRA') and the rules made there under **[Not Applicable]**;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under **[Not Applicable]**;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings **[Not Applicable]**;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 **[Not Applicable]**;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 **[Not Applicable]**;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 **[Not Applicable]**;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 [Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (effective 28th October 2014); **[Not Applicable]**];
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **[Not Applicable]**;

- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with clients [**Not Applicable**];
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 [**Not Applicable**]; and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 [**Not Applicable**];
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [**To the extent Applicable to a material subsidiary as defined in Regulation 16 (1) (c) of the said Regulations**].

(vi) The other Laws as applicable specifically to the Company are as under,

- a) Indian Stamp Act, 1899 and State Stamp Acts.
- b) The Employees' Provident Fund and Miscellaneous Provisions Act, 1952
- c) The Employees' State Insurance Act, 1948
- d) The Child labour [Prohibition and Regulation] Act, 1986,
- e) The Water (Prevention and Control of Pollution) Act, 1974
- f) The Water (Prevention and Control of Pollution) Cess Act, 1977
- g) The Air (Prevention and Control of Pollution) Act, 1981
- h) The Environment (Protection) Act, 1986
- i) The Hazardous Wastes (Management and Handling) Rules, 1989

j) The Factories Act, 1948

k) The Karnataka Tax on Professions, Trades, Callings And Employment Act, 1976

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

(i) Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India and made effective 1st October, 2017 (Revised versions).

(ii) The Listing Agreements entered into by the Company **[Not Applicable]**;

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

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. During the period under review there were no changes in the composition of the Board of directors.

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.

As per the Minutes of the Board of Directors duly recorded and signed by the Chairman, the decisions were Unanimous and no dissenting views have been recorded.

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

During the year under review, there were no instances of:

- i. Public/Right/Preferential issue of shares / debentures/sweat equity, etc.
- ii. Redemption / buy-back of securities
- iii. Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013
- iv. Merger / amalgamation / reconstruction, etc. or
- v. Foreign technical collaborations

For AAA & Co

Company Secretaries

Abhishek Bharadwaj A B

Practicing Company Secretary

FCS No: 8908

C P No.: 13649

Date: 18.05.2026

Place: Mysuru

UDIN: F008908H000358961

Note: our report of even date is to be read along with our letter of even date which is annexed as Annexure – 1 and forms an integral part of this report.

To,
The Members,
GROTEK ENTERPRISES PRIVATE LIMITED
NO. 16-C, DODDANEKUNDI INDUSTRIAL AREA II PHASE,
MAHADEVAPURA BANGALORE 560048 IN.

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

Management's Responsibility

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

Auditor's Responsibility

1. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
2. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for me to provide a basis for our opinion.
3. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.

Disclaimers

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

Signature:

Name of Company Secretary in Practice: Abhishek Bharadwaj A B

FCS No.: 8908

C P No.: 13649

Date: 18.05.2026

Place: Mysuru

Independent Auditor's Report

To the Members of Grotek Enterprises Private Limited

Report on the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of Grotek Enterprises Private Limited ("*the Company*") which comprises the Balance Sheet as at March 31, 2026, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and Notes to the financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as the "Financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Ind AS financial statements.

Management's responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the Ind AS and accounting principles generally accepted in India, 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 implementation and maintenance of 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.



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

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibility for the Audit of the Ind AS Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls 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 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 Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



V K A N & Associates

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

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

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

Report on Other Legal and Regulatory Requirements

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

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 except for the matters stated in the paragraph 143(3)(h)(vi) below on reporting under Rule 11(g).
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards 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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the matters to be included in the Auditor's report in accordance with the requirement of section 197(16) Act, as amended, in our opinion and to the best of our information and according to the explanation given to us, the Company has not paid any remuneration to its directors during the year in accordance with the provisions of section 197 of the Act.



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Chartered Accountants

- h) With respect to the maintenance of accounts and other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 except for the matters as stated in the paragraph 143(3)(b) and paragraph 143(3)(h)(vi), in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company
 - iv.
 - a. The management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in aggregate) have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person or entity, including foreign entities ('the 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 ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
 - b. The management has represented 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 Company from any person or entity, including foreign entities ('the 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; and
 - c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our attention that causes us to believe that the management representations under sub-clauses (i) and (ii) of Rule 11(e), as provided under (a) and (b) above contain any material misstatement.
 - v. The Company has not declared or paid any dividend during the year ended March 31, 2026.



V K A N & Associates
Chartered Accountants

- vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2026, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with. The proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 was applicable to the Company w.e.f. April 1, 2023, however, the audit trail feature was enabled in the accounting software later than the said date. Further, for the period during which the audit trail feature was enabled and operational the audit trail has been preserved by the Company as per the statutory requirements for record retention.
2. As required by the Companies (Auditor's Report) Order, 2020 (the "Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

For V K A N & Associates
Chartered Accountants
ICAI Firm Registration No 014226S



Vishwas Deshmukh
Partner
Membership No. 230806



Place: Bengaluru
Date: May 18, 2026
UDIN: 26230806EOAQOG7026

V K A N & Associates

Chartered Accountants

Annexure A to the Independent Auditor's Report

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

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

We have audited the internal financial controls over financial reporting of Grotek Enterprises Private Limited ("the Company") as of March 31, 2026 in conjunction with our audit of the 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 company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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



V K A N & Associates

Chartered Accountants

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 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 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 ICAI.

For V K A N & Associates
Chartered Accountants
ICAI Firm Registration No 014226S



Vishwas Deshmukh
Partner
Membership No. 230806



Place: Bengaluru
Date: May 18, 2026

V K A N & Associates
Chartered Accountants

Annexure B to the Independent Auditor's Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Grotek Enterprises Private Limited of even date)

- (i) To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that: In respect of the Company's Property, Plant and Equipment and Intangible Assets:

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(a) The fixed assets were physically verified during the year by the Management with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(b) The title deeds of all the immovable properties held by the Company (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.

(c) The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.

(d) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Accordingly, reporting under clause 3(i)(e) of the Order is not applicable to the Company.

(ii)

(a) The management has conducted physical verification of inventory at reasonable intervals during the year, except for inventory lying with third parties. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed.

(b) The Company has been sanctioned working capital limits in excess of INR 5 crore, in aggregate, from banks or financial institutions on the basis of security of current assets and the company is regular in filing statements on a quarterly basis with the banks or financial institutions. The quarterly statements filed with banks or financial institutions are in agreement with books of accounts.



V K A N & Associates
Chartered Accountants

- (iii) In our opinion, and according to the information and explanation given to us, the investments made are not prejudicial to the interest of the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not entered into any transaction covered under sections 185 and 186 of the Act. Accordingly, reporting under clause 3(iv) of the Order is not applicable to the Company.
- (v) The Company has not accepted any deposits or there is no amount which has been considered as deemed deposit within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government has specified maintenance of cost records under sub-section (1) of section 148 of the Act in respect of the products of the Company. We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) According to the information and explanations given to us and on the basis of our examination of books of accounts in respect of statutory dues,
 - a) The Company is regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.
 - b) According to the information and explanations given to us, there are no statutory dues referred to in subclause (a) above that have not been deposited with the appropriate authorities on account of any dispute as on March 31, 2026.
- (viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been recorded in the books of accounts.



V K A N & Associates
Chartered Accountants

(ix)

- (a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us including representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or other lender.
- (c) In our opinion and according to the information and explanations given to us, money raised by way of term loans were applied for the purposes for which these were obtained.
- (d) In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have not been utilised for long term purposes.
- (e) According to the information and explanations given to us and 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) According to the information and explanations given to us, the Company has not raised any loans by way of pledge of securities held in its subsidiaries, joint ventures or associates hence reporting on clause 3(ix)(f) of the Order is not applicable.

(x)

- (a) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (x) (a) of the Order is not applicable.
- (b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3 (x) (b) of the Order is not applicable to the Company.

(xi)

- (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the period covered by our audit.
- (b) According to the information and explanation given to us, no report under sub-section (12) of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rule, 2014 with the Central Government.
- (c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.



V K A N & Associates
Chartered Accountants

- (xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.
- (xiv) According to the information and explanations given to us, the Company is not required to have an internal audit system under section 138 of the Act, However the company have an internal audit system, which is commensurate with the size and nature of its business.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, provisions of section 192 of the Act are not applicable to the Company.
- (xvi)
- (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi) of the Order is not applicable.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities during the year without a valid Certificate of Registration (CoR) from the RBI as per the Reserve Bank of India Act, 1934.
- (c) According to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the RBI. Accordingly, reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.
- (xvii) The Company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the plans of the Board of Directors and management, we are of the opinion that no material uncertainty exists as on the date of the audit report that Company is 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.



V K A N & Associates
Chartered Accountants

- (xx) (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.
- (b) There are no unspent amounts towards Corporate Social Responsibility (CSR) on ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (6) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.
- (xxi) The reporting under clause (xxi) is not applicable in respect of audit of Financial Statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For V K A N & Associates

Chartered Accountants

ICAI Firm Registration No 014226S



Vishwas Deshmukh

Partner

Membership No. 230806



Place: Bengaluru

Date: May 18, 2026

Grotek Enterprises Private Limited

CIN - U29220KA1997PTC023210

Balance Sheet as at March 31, 2026

(All amounts are in Rupees in Lakhs except for share data or other wise stated)

Particulars	Note No	As at March 31, 2026	As at March 31, 2025
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	3a	2,818.73	2,883.45
Capital work-in-progress	3a	907.85	687.55
Right of Use Assets	3d	37.19	-
Goodwill	3b	165.30	165.30
Other Intangible assets	3b	14.03	17.14
Investments	4	549.00	549.00
Financial assets			
(i) Other financial assets	5	171.34	171.34
TOTAL NON-CURRENT ASSETS		4,663.44	4,473.78
CURRENT ASSETS			
Inventories	6	1,212.66	1,100.54
Financial assets			
(i) Trade receivables	7	1,133.99	1,142.33
(ii) Cash and cash equivalents	8	59.70	27.86
(iii) Other financial assets	5	17.50	16.72
Other current assets	9	258.45	164.52
TOTAL CURRENT ASSETS		2,682.30	2,451.97
TOTAL ASSETS		7,345.74	6,925.75
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	10	501.00	501.00
Other equity	11	1,952.78	1,390.68
TOTAL EQUITY		2,453.78	1,891.68
LIABILITIES			
NON-CURRENT LIABILITIES			
Financial liabilities			
(i) Borrowings	12	549.82	606.08
(ii) Lease Liability	3d	21.87	-
Provisions	13	28.48	53.53
Deferred tax liabilities (net)	14	310.55	322.57
TOTAL NON-CURRENT LIABILITIES		910.72	982.18
CURRENT LIABILITIES			
Financial liabilities			
(i) Borrowings	12	1,460.81	1,160.26
(ii) Lease Liability	3d	13.54	-
(iii) Trade Payables	15a		
(A) total outstanding dues of micro enterprises and small enterprises; and		336.86	322.97
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		680.20	761.64
(iv) Other financial liabilities	15b	173.74	319.98
Provisions	13	123.56	99.77
Other current liabilities	16	1,192.54	1,387.27
TOTAL CURRENT LIABILITIES		3,981.25	4,051.89
TOTAL LIABILITIES		4,891.97	5,034.07
TOTAL EQUITY AND LIABILITIES		7,345.74	6,925.75

The accompanying notes referred to above form an integral part of the Ind AS financial statements.

1-38

As per our report on financial statements of even date attached
for **V K A N & Associates**
Chartered Accountants
ICAI Firm Regn No: 014226S

Vishwas Deshmukh
Partner
Membership No: 230806
Place: Bengaluru
Date: May 18, 2026



for and on behalf of the Board of directors of
Grotek Enterprises Private Limited
CIN No: U29220KA1997PTC023210

C.P. Rangachar
Director
DIN: 00310893
Place: Bangalore
Date: May 18, 2026



H.M. Narasinga Rao
Director
DIN: 00529717
Place: Bangalore
Date: May 18, 2026

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

(All amounts are in Rupees in Lakhs except for share data or other wise stated)

Particulars	Note No	Year ended March 31, 2026	Year ended March 31, 2025
I. Income			
Revenue from operations	17	8,858.34	9,394.54
Other income	18	47.23	60.82
Total Income		8,905.57	9,455.36
II. Expenses			
Cost of materials consumed	19	4,178.09	4,485.57
Changes in inventories of finished goods	20	6.15	(46.65)
Employee benefit expenses	21	765.40	685.06
Finance costs	22	243.93	212.20
Depreciation and amortisation expense	23	395.43	369.18
Other expenses	24	2,531.29	2,712.60
Total Expense		8,120.29	8,417.96
III. Profit before tax (I - II)		785.28	1,037.40
IV. Tax expense/(benefit):			
Current tax		237.38	184.28
Deferred tax charge / (credit)		(10.64)	112.75
Total tax expense		226.74	297.03
V. Profit after tax (III - IV)		558.54	740.37
VI. Other comprehensive income			
Items that will not be reclassified to profit or loss			
(a) Remeasurements of the defined benefit liabilities / (asset)		4.93	(7.53)
(b) Income tax relating to items that will not be reclassified to profit or loss		(1.37)	2.09
Total other comprehensive income/ (loss), net of tax		3.56	(5.44)
Total comprehensive income/ (loss) for the year (V + VI)		562.10	734.93
Earnings per equity share:			
Basic and Diluted (₹)	29	11.15	14.78

The accompanying notes referred to above form an integral part of the IND AS financial statements.

1-38

As per our report on financial statements of even date attached

for V K A N & Associates

Chartered Accountants

ICAI Firm Regn. No: 014226S

for and on behalf of the Board of directors of

Grotek Enterprises Private Limited

CIN No: U29220KA1997PTC023210

Vishwas Deshmukh

Partner

Membership No: 230806

Place : Bengaluru

Date : May 18, 2026



C.P. Rangachar

Director

DIN: 00310893

Place: Bangalore

Date : May 18, 2026



H.M. Narasinga rao

Director

DIN: 00529717

Place: Bangalore

Date : May 18, 2026

Grotek Enterprises Private Limited

CIN - U29220KA1997PTC023210

Statement of Cash Flows for the year ended March 31, 2026

(All amounts are in Rupees in Lakhs except for share data or other wise stated)

Particulars	For the year ended March 31, 2026		For the year ended March 31, 2025	
A. Cash flow from operating activities				
Net Profit / (Loss) before tax		785.28		1,037.40
<u>Adjustments for:</u>				
Depreciation and amortization	381.91		369.18	
Depreciation on ROUA Assets	13.52		-	
Interest on bank overdrafts and loans	242.32		212.20	
Interest on Lease Liability	1.01		-	
Unrealised Forex Adjustments	(4.98)		-	
Bad debts written off	-		31.38	
Liabilities no longer required written back	(6.28)		(18.25)	
		628.11		594.51
Operating profit / (loss) before working capital changes		1,413.39		1,631.91
<u>Changes in working capital:</u>				
<u>Adjustments for (increase) / decrease in operating assets:</u>				
Inventories	(112.12)		(315.91)	
Trade receivables	13.71		(394.37)	
Other financial assets	(0.78)		(10.80)	
Other current asset	(68.48)		566.40	
<u>Adjustments for (increase) / decrease in operating liabilities:</u>				
Trade payables	(61.27)		210.93	
Provisions(short term and long term)	(5.09)		(24.21)	
Other financial liabilities	13.52		-	
Other current liabilities	(194.73)		(725.98)	
		(415.23)		(693.94)
Cash generated from operations		998.16		937.97
Net income tax (paid) / refunds		(228.62)		(164.27)
Net cash flow from / (used in) operating activities (A)		769.54		773.69
B. Cash flow from investing activities				
Capital expenditure on fixed assets, including capital advances	(726.61)		(724.24)	
Investment in Share Capital of Subsidiary Company	-		(269.00)	
		(726.61)		(993.24)
Net cash flow from / (used in) investing activities (B)		(726.61)		(993.24)
C. Cash flow from financing activities				
Proceeds from Borrowings	613.01		9,631.51	
Repayment of Borrowings	(368.71)		(9,180.40)	
Interest on borrowings paid	(241.85)		(212.20)	
Lease Liability paid	(13.54)		-	
		(11.09)		238.91
Net cash flow from / (used in) financing activities (C)		(11.09)		238.91
Net increase / (decrease) in cash and cash equivalents (A+B+C)		31.84		19.36
Cash and cash equivalents at the beginning of the year		27.86		8.50
Cash and cash equivalents at the end of the year (Refer Note No 8)		59.70		27.86

The accompanying notes referred to above form an integral part of the IND AS financial statements.

1-38

As per our report on financial statements of even date attached

for V K A N & Associates

Chartered Accountants

ICAI Firm Regn No: 0142265

for and on behalf of the Board of directors of

Grotek Enterprises Private Limited

CIN No: U29220KA1997PTC023210

Vishwas Deshmukh

Partner

Membership No: 230806

Place : Bengaluru

Date : May 18, 2026



C.P. Rangachar

Director

DIN: 00310893

Place: Bangalore

Date : May 18, 2026

H.M. Narasinga rao

Director

DIN: 00529717

Place: Bangalore

Date : May 18, 2026



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

(All amounts are in Rupees in Lakhs except for share data or other wise stated)

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number of shares	Amount	Number of shares	Amount
(a) Authorised Equity shares of Rs.10/- each (Previous year : Rs. 10/- each) with voting rights	60,00,000	600.00	60,00,000	600.00
(b) Issued, subscribed and fully paid up Equity shares of Rs.10/- each (Previous year : Rs. 10/- each) with voting rights	50,10,000	501.00	50,10,000	501.00
	50,10,000	501.00	50,10,000	501.00

Particulars	Reserve and surplus	Other comprehensive income
	Amount	
Balance as at April 01, 2024	664.50	(8.75)
<u>Additions during the year</u>		
Profit during the year	740.37	-
<u>Items of the OCI, net of tax-</u>		
Re-measurement of net defined benefit liability/(asset)	-	(5.44)
Total	740.37	(5.44)
<u>Reductions during the year:</u>		
Transfer to general reserve	-	-
Total	-	-
Balance as at March 31, 2025	1,404.87	(14.19)
<u>Additions during the year</u>		
Profit during the year	558.54	-
<u>Items of the OCI, net of tax-</u>		
Re-measurement of net defined benefit liability/(asset)	-	3.56
Total	558.54	3.56
<u>Reductions during the year:</u>		
Transfer to general reserve	-	-
Total	-	-
Balance as at March 31, 2026	1,963.41	(10.63)

The accompanying notes referred to above form an integral part of the IND AS financial statements.

1-38

In terms of our report of even date attached

for V K A N & Associates

Chartered Accountants

ICAI Firm Regn. No: 014226S

for and on behalf of the Board of directors of

Grotek Enterprises Private Limited

CIN No: U29220KA1997PTC023210



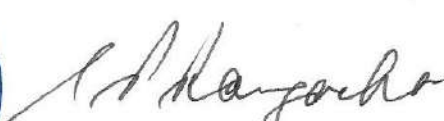
Vishwas Deshmukh

Partner

Membership No: 230806

Place : Bengaluru

Date : May 18, 2026

C.P. Rangachar

Director

DIN: 00310893

Place: Bangalore

Date : May 18, 2026



H.M. Narasinga Rao

Director

DIN: 00529717

Place: Bangalore

Date : May 18, 2026



Grotek Enterprises Private Limited

CIN - U29220KA1997PTC023210

Summary of Material accounting policies and other explanatory information for the year ended March 31, 2026 (cont'd)

1. Corporate overview:

The Company is engaged in the business of manufacture of cast iron castings. The Company is a 100% subsidiary of Yuken India Limited, hydraulics major and a listed Company. The Company carries on its manufacturing operations from Mahadevapura Industrial Area, Whitefield, Bangalore and Malur, Kolar District

2. Material accounting policies:

2.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (IND AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter. For all periods upto March 31, 2017 the Company prepared its financial statements in accordance with accounting standards notified under the Section 133 of the Companies Act, 2013 read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. The material accounting policy information used in preparation of the audited financial statements have been discussed in the respective notes.

2.2 Summary of the other Material accounting policies

a) Use of estimates and judgements

The preparation of financial statements in conformity with Ind AS requires management to make certain estimates, judgements and assumptions that affect application of accounting policies and the amounts reported in the financial statements and notes thereto. Changes in estimates and judgements are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements

b) Property, plant and equipment

The Company has elected to continue with the carrying value for all of its property, plant and equipment as recognized in its Previous GAAP financial statements as deemed cost at the transition date, viz., 1 April 2016.

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalised until the property, plant and equipment are ready for use, as intended by management. The charge in respect of periodic depreciation is derived at after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life.

Cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the company capitalises them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

Depreciation is calculated on a straight line basis over the remaining useful lives of the assets as assessed by management of the company. The management estimates the useful lives as follows:

Assets Description	Useful Life (Years)
General plant and machinery	15.00
Buildings	30.00
Computers and data processing equipment *	6.17
Electrical Installation *	15.00
Furniture & Fixtures	10.00
Motor Vehicle	8.00
Jigs & Fixtures	3.00
Office Equipments *	21.05

* For these class of assets, based on internal assessment, the management believes that the useful lives as given above best represent the period over which management expects to use these assets. Hence the useful lives for these assets are different from the useful lives as prescribed under Part-C of Schedule II of the Companies Act, 2013.

On fixed assets added/dropped of during the year, depreciation is charged on pro-rata basis with reference to the date of addition/disposal.



Summary of Material accounting policies and other explanatory information for the year ended March 31, 2026 (cont'd)

c) Leases

At inception of contract, the Company assesses whether the Contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. At inception or on reassessment of a contract that contains a lease component, the Company allocates consideration in the contract to each lease component on the basis of their relative stand alone price.

As a lessee :

i) Right-of-use Assets

The Company recognises right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, lease payments made at or before the commencement date less any lease incentives received and estimate of costs to dismantle. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Contracts which are covered under the ambit of Ind AS 116 typically have a tenure between 3 to 5 years based on assessment of the lease terms as required by the standard.

ii) Lease Liability

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. In calculating the present value of lease payments, the Company generally uses its incremental borrowing rate at the lease commencement date if the discount rate implicit in the lease is not readily determinable.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. The carrying amount is remeasured when there is a change in future lease payments arising from a change in index or rate. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

The Company presents lease liabilities in 'Non Current Liabilities and Current Liabilities' in the Balance Sheet.

iii) Short term leases and leases of low value of assets

The Company applies the short-term lease recognition exemption to its short-term leases. It also applies the lease of low-value assets recognition exemption that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

The Company has lease contracts for building used in its operations. Leases of building generally have lease terms between 5 to 10 years. The Company is restricted from assigning and subleasing the leased assets.

d) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. 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.

e) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Goodwill that have an indefinite useful life is not subject to amortisation and is tested annually for impairment and noted that no events or instances that triggers impairment.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.



Summary of Material accounting policies and other explanatory information for the year ended March 31, 2026 (cont'd)

f) 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 Company has adopted Ind AS 115 using the cumulative effect method. There is no impact of the adoption of the standard on the financial statements of the Company.

Revenues from customer contracts are considered for recognition and measurement when the contract has been approved, in writing, by the parties to the contract, the parties to contract are committed to perform their respective obligations under the contract, and the contract is legally enforceable. The Company assesses the services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligations to determine the deliverables and the ability of the customer to benefit independently from such deliverables, and allocation of transaction price to these distinct performance obligations involves significant judgement.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment, including excise duty and excluding GST and other taxes or duties collected on behalf of the government. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

Sale of goods

Revenue is recognised when a performance obligation in a customer contract has been satisfied by transferring control over the promised goods to the customer. Control over a promised good refers to the ability to direct the use of, and obtain substantially all of the remaining benefits from, those goods. Control is usually transferred upon shipment, delivery to, upon receipt of goods by the customer, in accordance with the individual delivery and acceptance terms agreed with the customers. The amount of revenue to be recognised (transaction price) is based on the consideration expected to be received in exchange for goods, excluding amounts collected on behalf of third parties such as goods and services tax or other taxes directly linked to sales.

Other operating revenues comprise of scrap sales and pattern sales incidental to operations of the company and are recognised when the right to receive the income is established as per the terms of the contract.

Interest income

Income is recognized on time proportion basis taking into account the outstanding amount and the applicable rate of interest. Interest income is included in finance income in the statement of profit and loss.

Dividend income

Revenue is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

g) Inventories

Inventories are valued at the lower of cost and net realisable value. Costs incurred in bringing each product to its present location and condition are accounted for as follows:

Raw materials: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a Moving average value.

Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on a weighted average basis.

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.

h) Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Companies of assets.

When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

i) Taxes

Current income tax

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

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



Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are 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
- ▶ In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

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
- ▶ In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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 relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

j) Provisions and contingencies

The Company creates a provision when there is present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent assets are neither recognised nor disclosed in the financial statements.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

k) Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The company has no obligation, other than the contribution payable to the provident fund. The group recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

The Gratuity liability is provided based on actuarial valuation arrived on the basis of projected unit credit method are determined at the end of each year.

Liabilities towards Leave Encashment Benefit are provided for based on actuarial valuation done at the year end.

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 OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

l) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

m) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. An earnings considered in ascertaining the Company's earnings per share is the net profit for the period attributable to equity shareholders. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

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



n) Foreign Currency transactions and translations

(i) Functional & Presentation currency

The financial statements are presented in Indian Rupee (INR), which is the company's functional & presentation currency.

(ii) Transactions & balances

Foreign currency transactions are translated into the functional currency using the exchange rate at the date of transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

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

o) Financial instruments

A) Initial recognition and measurement

All financial assets and liabilities are initially recognized at fair value on initial recognition except for trade receivables measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

B) Subsequent measurement

a) Financial assets carried at amortised cost (AC)

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset 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.

b) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets 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.

c) Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are measured at FVTPL.

C) Other equity investments

All other equity investments are measured at fair value, with value changes recognised in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the value changes in 'Other Comprehensive Income'.

D) Impairment of financial assets

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL). Expected credit losses are measured through a loss allowance at an amount equal to:

>The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

>Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

For trade receivables Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Company uses 12 month ECL to provide for impairment loss and where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

(ii) Financial liabilities

A. Initial recognition and measurement

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

B. Subsequent measurement

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

(iii) Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

p) Fair value hierarchy:

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly (i.e., prices) or indirectly observable (i.e., derived from prices).

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.



Grotek Enterprises Private Limited

CIN - U29220KA1997PTC023210

Summary of Material accounting policies and other explanatory information for the year ended March 31, 2026 (cont'd)

(All amounts are in Rupees in Lakhs except for share data or other wise stated)

3a Property, plant and equipment (Amounts in brackets indicate previous year numbers)

TANGIBLE ASSETS	Gross carrying amount				Accumulated Depreciation			Net carrying amount		
	Balance as at April 01, 2025	Additions	Deductions/ Adjustments	Balance as at March 31, 2026	Balance as at April 01, 2025	Depreciation For the year	Eliminated on Deductions /Adjustments	Balance as at March 31, 2026	Balance as at March 31, 2026	Balance as at March 31, 2025
Computer systems	22.95 (21.77)	- (1.18)	- -	22.95 (22.95)	18.92 (17.00)	1.23 (1.92)	-	20.15 (18.92)	2.80 (4.03)	4.03 (4.77)
Office equipments	51.67 (43.19)	3.68 (8.48)	- -	55.35 (51.67)	28.38 (20.97)	8.66 (7.41)	-	37.04 (28.38)	18.31 (23.29)	23.29 (22.22)
Furniture / fixtures	20.29 (19.14)	1.79 (1.15)	- -	22.08 (20.29)	14.34 (13.24)	1.17 (1.10)	-	15.51 (14.34)	6.57 (5.95)	5.95 (5.90)
Plant machinery & equipment	4,218.42 (3,852.35)	236.30 (366.07)	- -	4,454.72 (4,218.42)	1,795.93 (1,503.31)	313.26 (292.62)	-	2,109.19 (1,795.93)	2,345.52 (2,422.49)	2,422.49 (2,349.04)
Jigs/fixtures	288.44 (288.44)	- -	- -	288.44 (288.44)	185.34 (165.02)	20.03 (20.32)	-	205.37 (185.34)	83.07 (103.10)	103.10 (123.42)
Electrical installation	284.26 (284.26)	3.06 -	- -	287.32 (284.26)	100.76 (79.92)	19.08 (20.84)	-	119.84 (100.76)	167.48 (183.50)	183.50 (204.34)
Motor vehicles	45.04 (35.64)	- (9.40)	- -	45.04 (45.04)	14.01 (9.44)	4.65 (4.57)	-	18.66 (14.01)	26.38 (31.03)	31.03 (26.20)
Building	202.98 (198.07)	67.06 (4.91)	- -	270.04 (202.98)	92.92 (77.93)	8.53 (14.99)	-	101.45 (92.92)	168.60 (110.06)	110.06 (120.14)
Total (A)	5,134.05	311.89	-	5,445.94	2,250.60	376.61	-	2,627.21	2,818.73	2,883.45
Total (previous year)	(4,742.86)	(391.19)	-	(5,134.05)	(1,886.83)	(363.77)	-	(2,250.60)	(2,883.45)	(2,856.03)
Capital work-in-progress	687.55 (354.50)	538.75 (727.70)	318.45 (394.65)	907.85 (687.55)	- -	- -	- -	- -	907.85 (687.55)	687.55 (354.50)
Total (B)	687.55	538.75	318.45	907.85	-	-	-	-	907.85	687.55

3b Other Intangible assets

INTANGIBLE ASSETS	Gross carrying amount				Accumulated Amortisation			Net carrying amount		
	Balance as at April 01, 2025	Additions	Deductions/ Adjustments	Balance as at March 31, 2026	Balance as at April 01, 2025	Depreciation For the year	Eliminated on Deductions /Adjustments	Balance as at March 31, 2026	Balance as at March 31, 2026	Balance as at March 31, 2025
Other than internally generated										
Software	74.89 (74.89)	2.19 -	- -	77.08 (74.89)	57.75 (52.34)	5.30 (5.41)	-	63.05 (57.75)	14.03 (17.14)	17.14 (22.55)
Goodwill	165.30 (165.30)	- -	- -	165.30 (165.30)	- -	- -	-	- (165.30)	165.30 (165.30)	165.30 (165.30)
Total	240.19	2.19	-	242.38	57.75	5.30	-	63.05	179.33	182.44

(Numbers in brackets represent previous year figures)



Grotek Enterprises Private Limited

CIN - U29220KA1997PTC023210

Summary of Material accounting policies and other explanatory information for the year ended March 31, 2026 (cont'd)

(All amounts are in Rupees in Lakhs except for share data or other wise stated)

3c Capital work-in-progress as at March 31, 2026

(a) Ageing of CWIP:

Particulars	Amounts in Capital work-in-progress for				Total
	Less than one year	1 to 2 Years	2 to 3 Years	More than 3 Years	
(i) Projects in process	258.16	649.69	-	-	907.85
(ii) Projects temporarily suspended	-	-	-	-	-
Total	258.16	649.69	-	-	907.85

(b) Completion schedule for capital work-in-progress whose completion is overdue or has exceeded its cost compared to its original plan:

Particulars	To be Completed in				Total
	Less than one year	1 to 2 Years	2 to 3 Years	More than 3 Years	
(i) Projects in process	907.85	-	-	-	907.85
(ii) Projects temporarily suspended	-	-	-	-	-
Total	907.85	-	-	-	907.85

Capital work-in-progress as at March 31, 2025

(a) Ageing of CWIP:

Particulars	Amounts in Capital work-in-progress for				Total
	Less than one year	1 to 2 Years	2 to 3 Years	More than 3 Years	
(i) Projects in process	595.26	92.29	-	-	687.55
(ii) Projects temporarily suspended	-	-	-	-	-
Total	595.26	92.29	-	-	687.55

(b) Completion schedule for capital work-in-progress whose completion is overdue or has exceeded its cost compared to its original plan:

Particulars	To be Completed in				Total
	Less than one year	1 to 2 Years	2 to 3 Years	More than 3 Years	
(i) Projects in process	687.55	-	-	-	687.55
(ii) Projects temporarily suspended	-	-	-	-	-
Total	687.55	-	-	-	687.55



Grotek Enterprises Private Limited

CIN - U29220KA1997PTC023210

Summary of material accounting policies and other explanatory information for the year ended 31st March 2026 (cont'd)

(All amounts are in Rupees in Lakhs except for share data or other wise stated)

3d. Right of use assets

Particulars	As at March 31, 2026	As at March 31, 2025
Buildings		
Opening	-	-
Additions	50.71	-
Amortizataion expense	(13.52)	-
Closing Balance	37.19	-

Lease Liabilities

Particulars	As at March 31, 2026	As at 31 March 2025
Buildings		
Opening		
Additions	47.33	-
Interest expense on lease liabilities	1.61	-
Payments during the year	(13.54)	-
Closing Balance	35.41	-

Classified as:

Non-current	21.87	-
Current	13.54	-
Total	35.41	-

Amounts recognised in Profit & Loss

Interest expense on Lease Liabilities	1.61	-
Amortization of right-of-use assets	13.52	-



(All amounts are in Rupees in Lakhs except for share data or other wise stated)

4. Investments

Particulars	As at March 31, 2026	As at March 31, 2025
Unquoted		
Investment in equity shares of Subsidiary		
Investment in AEPL GROTEK Renewable Energy Pvt Ltd [54,90,000 (31st March 2023: 28,00,000 & 08th Apr 2024: 26,90,000) Equity shares of Rs.10 each]	549.00	549.00
Total	549.00	549.00

5. Other financial assets

Particulars	As at March 31, 2026	As at 31st March 2025
Non - Current Assets		
Security deposits	171.34	171.34
Total	171.34	171.34
Current Assets		
Loans	17.50	16.72
Total	17.50	16.72

6. Inventories

Particulars	As at March 31, 2026	As at March 31, 2025
(i) Raw materials and components	889.90	771.63
(ii) Finished goods	322.76	328.91
Total	1,212.66	1,100.54

7. Trade receivables

Particulars	As at March 31, 2026	As at March 31, 2025
Current		
Trade receivables		
(a) Unsecured, considered good		
- From Related Parties	-	40.91
- From Others	1,133.99	1,101.42
Total	1,133.99	1,142.33

Aging of receivables as at March 31, 2026

Particulars	Outstanding for following periods from the due date					Total
	Less than 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 Years	
Undisputed Trade receivables						
considered good	1,127.25	6.74	-	-	-	1,133.99
which have significant increase in credit risk	-	-	-	-	-	-
credit impaired	-	-	-	-	-	-
Disputed Trade receivables						
considered good	-	-	-	-	-	-
which have significant increase in credit risk	-	-	-	-	-	-
credit impaired	-	-	-	-	-	-
Total	1,127.25	6.74	-	-	-	1,133.99

Aging of receivables as at March 31, 2025

Particulars	Outstanding for following periods from the due date					Total
	Less than 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 Years	
Undisputed Trade receivables						
considered good	1,139.52	2.81	-	-	-	1,142.33
which have significant increase in credit risk	-	-	-	-	-	-
credit impaired	-	-	-	-	-	-
Disputed Trade receivables						
considered good	-	-	-	-	-	-
which have significant increase in credit risk	-	-	-	-	-	-
credit impaired	-	-	-	-	-	-
Total	1,139.52	2.81	-	-	-	1,142.33



8. Cash and cash equivalents

Particulars	As at March 31, 2026	As at March 31, 2025
Cash on hand	0.19	0.41
Balances with Banks (i) In current accounts	59.51	27.45
Total	59.70	27.86

9. Other current assets

Particulars	As at March 31, 2026	As at March 31, 2025
Advance to capex vendor	41.74	16
Advance to other vendors	171.30	95.09
Balances with govt authorities (Includes TDS,TCS, GST & Custom duty receivable)	28.10	37.90
Prepaid expenses	17.31	15.63
Total	258.45	164.52



Summary of Material accounting policies and other explanatory information for the year ended March 31, 2026 (cont'd)

(All amounts are in Rupees in Lakhs except for share data or other wise stated)

10. Equity Share capital

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number of shares	Amount	Number of shares	Amount
(a) Authorised				
Equity shares of Rs.10/- each (Previous year : Rs. 10/- each) with voting rights	60,00,000	600.00	60,00,000	600.00
(b) Issued, subscribed and fully paid up				
Equity shares of Rs.10/- each (Previous year : Rs. 10/- each) with voting rights	50,10,000	501.00	50,10,000	501.00
	50,10,000	501.00	50,10,000	501.00

Refer notes (i) to (iii) below

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number of shares	Amount in Rs	Number of shares	Amount in Rs
Equity shares with voting rights				
Balances as at the beginning of the year	50,10,000	501.00	50,10,000	501.00
Add: Issued and subscribed during the year	-	-	-	-
Balance at the end of the year	50,10,000	501.00	50,10,000	501.00

(ii) Terms and rights attached to equity shares

The Company has issued only one class of equity share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian rupees. The dividend proposed by Board of Directors is subject to approval by the share holders at the ensuing Annual General Meeting.

(iii) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at March 31, 2026		As at March 31, 2025	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
Yuken India Limited, the Holding Company	50,09,990	99.9998%	50,09,990	99.9998%
H M Narasinga Rao	10	0.0002%	10	0.0002%

(iv) The Promoters of the company does not hold any shares in the company as at March 31, 2026 and as at March 31, 2025.

Note 11 Other Equity

Particulars	As at March 31, 2026	As at March 31, 2025
Surplus in statement of profit and loss		
Reserves and Surplus		
Opening balance	1,404.87	664.50
Add:- Net Profit for the Year	558.54	740.37
Closing balance	1,963.41	1,404.87
Other Comprehensive Income		
Opening balance	(14.19)	(8.75)
Add:- Adjustment during the year	3.56	(5.44)
Closing balance	(10.63)	(14.19)
Total Other Equity	1,952.78	1,390.68



Summary of Material accounting policies and other explanatory information for the year ended March 31, 2026 (cont'd)

(All amounts are in Rupees in Lakhs except for share data or other wise stated)

12. Financial liabilities

(i) Borrowings

Non current borrowings

Particulars	As at March 31, 2026	As at March 31, 2025
Secured - at amortised cost		
(i) Loans		
from Banks (refer notes below)	549.82	606.08
Total	549.82	606.08

Terms of Loan taken from Sumitomo Mitsui Banking Corporation (refer note below):

Repayment Details	As at March 31, 2026	As at March 31, 2025
Principal in 16 equal quarterly installment over 4 years after 1 year moratorium		
Interest charged monthly (including the period of moratorium)	932.37	909.28

Note : Security details for the term loan taken from Sumitomo Mitsui Banking Corporation:

Corporate Guarantee given by Yuken India Limited amounting to Rs. 3,600 lakhs (March 31, 2025 : Rs. 3,600 lakhs)

Rate of Interest - Range from 7% to 9% reset quarterly (March 31, 2025 : 9.77 % reset quarterly)

Current borrowings

Particulars	As at March 31, 2026	As at March 31, 2025
Secured - at amortised cost		
(i) Loans		
from banks (refer notes below)	1,078.26	857.06
Current maturities of long term debt	382.55	303.20
Total	1,460.81	1,160.26

Secured working capital loans from banks (refer notes below):

Particulars	As at March 31, 2026	As at March 31, 2025
HDFC Bank Limited		
Loan limit	480.00	480.00
Amount outstanding Repayable on demand Interest rate - 11.9%	378.26	357.06
SMBC Bank		
Loan limit	1,000.00	1,000.00
Amount outstanding Repayable on demand Interest rate - 7% - 9%	700.00	500.00

Notes:

i) Primary security - First charge on inventory, book debts and movable fixed assets of the company

ii) Secondary security - Corporate guarantee by Yuken India Limited



Summary of Material accounting policies and other explanatory information for the year ended March 31, 2026 (cont'd)

(All amounts are in Rupees in Lakhs except for share data or other wise stated)

13. Provisions

Non current provisions

Particulars	As at March 31, 2026	As at March 31, 2025
Gratuity	28.48	53.53
Total	28.48	53.53

Current provisions

Particulars	As at March 31, 2026	As at March 31, 2025
Compensated leave absences	87.65	72.90
Superannuation	4.77	4.49
Provision for Income tax	31.14	22.38
Total	123.56	99.77

14. Deferred tax balances

Particulars	As at March 31, 2026	As at March 31, 2025
Deferred tax liabilities	345.15	359.92
On difference between book balance and tax balance of fixed assets	345.15	359.92
Deferred tax assets	34.60	37.35
Provision for gratuity, compensated absences and provision for doubtful debts	34.60	37.35
Total	310.55	322.57

15a. Trade payables

Particulars	As at March 31, 2026	As at March 31, 2025
(a) Total outstanding dues of micro enterprises and small enterprises	336.86	322.97
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	680.20	761.64
TOTAL	1,017.06	1,084.61



Ageing of Trade Payables as at March 31, 2026

Particulars	Not Due	Outstanding for the following periods from the due date				Total
		Less than 1 year	1 to 2 years	2-3 years	More than 3 years	
Undisputed trade payables						
MSME	336.86	-	-	-	-	336.86
Others	31.97	648.23	-	-	-	680.20
Disputed trade payables						
MSME	-	-	-	-	-	-
Others	-	-	-	-	-	-
Total	368.83	648.23	-	-	-	1,017.06

Ageing of Trade Payables As at March 31, 2025:

Particulars	Not Due	Outstanding for the following periods from the due date				Total
		Less than 1 year	1 to 2 years	2-3 years	More than 3 years	
Undisputed trade payables						
MSME	-	322.97	-	-	-	322.97
Others	39.52	608.39	113.73	-	-	761.64
Disputed trade payables						
MSME	-	-	-	-	-	-
Others	-	-	-	-	-	-
Total	39.52	931.36	113.73	-	-	1,084.61

15b. Other financial liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Capital Creditors	95.48	255.71
Interest due on borrowings	7.08	6.61
Employee benefits payable		
Accrued Salary & Wages	62.87	50.29
Accrued Bonus	3.46	3.36
Rent Payable to related parties	4.85	4.01
TOTAL	173.74	319.98

16. Other current liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Statutory liabilities (includes GST, ESI, TDS, Profession Tax & Provident Fund)	70.75	13.46
Advance from customers (including advance from related parties)	1,121.79	1,373.81
TOTAL	1192.54	1,387.27



Summary of Material accounting policies and other explanatory information for the year ended March 31, 2026 (cont'd)

(All amounts are in Rupees in Lakhs except for share data or other wise stated)

Note 17 Revenue from operations

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
(a) Revenue from sale of products	8,615.32	9,375.21
Other operating revenue		
-Others	243.02	19.33
Total	8,858.34	9,394.54

The company has no unsatisfied performance obligation resulting from sale of products and services. No adjustment made to the contract price on account of refunds, credits, price concession, incentive or performance bonus.

Note 18 Other income

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
(a) Liabilities no longer required written back	6.28	18.25
(b) Interest income from security deposit	11.08	10.39
(c) Foreign Exchange Gain (Net)	14.76	16.86
(d) Miscellaneous income	15.11	15.32
Total	47.23	60.82

Note 19 Cost of materials consumed

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Opening stock	771.63	502.37
Add: Purchases	4,296.36	4,754.83
	5,067.99	5,257.20
Less: Closing stock	889.90	771.63
Cost of materials consumed	4,178.09	4,485.57

Note 20 Changes in inventories of finished goods, Work in progress and stock-in-trade

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Inventories at the end of the year:		
Finished goods	322.76	328.91
	322.76	328.91
Inventories at the beginning of the year:		
Finished goods	328.91	282.26
	328.91	282.26
Net (increase) / decrease	6.15	(46.65)



Note 21 Employee benefits expense

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Salaries and wages	641.41	599.54
Contribution to provident and other funds	39.95	33.49
Gratuity (see note 27)	47.11	15.58
Staff welfare expenses	36.93	36.45
Total	765.40	685.06

Note 22 Finance costs

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest on bank overdrafts and loans	242.32	212.20
Interest on lease liability	1.61	-
Total	243.93	212.20

Note 23 Depreciation and amortization expense

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Depreciation of property, plant and equipment pertaining to continuing operations	376.61	363.77
Amortisation of intangible assets	5.30	5.41
Depreciation of right of use assets	13.52	-
Total	395.43	369.18

Note 24 Other expenses

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Sub-contracting charges	318.87	287.45
Contract Labour wages	560.18	644.51
Power and fuel	1,053.13	1,138.45
Rent	55.53	54.10
Repair and maintenance		
- Building	0.16	0.68
- Machinery	177.40	224.56
- Others	5.91	4.44
Insurance	53.12	53.05
Rates and taxes	3.10	2.83
Travelling & conveyance expenses	55.98	43.37
Freight and carriage	6.41	8.57
Legal and professional charges	76.77	83.85
Payment to auditors		
- Statutory audit	4.70	4.70
- Tax audit	0.50	0.50
- Other services	1.51	1.58
Bad debts write off	-	31.38
CSR	21.80	-
Communication	6.95	7.42
Printing and stationery expenses	10.29	8.90
Office maintenance	25.65	24.54
Security expenses	46.40	53.58
Miscellaneous expenses	46.93	34.14
Total	2,531.29	2,712.60



Summary of Material accounting policies and other explanatory information for the year ended March 31, 2026 (cont'd)

(All amounts are in Rupees in Lakhs except for share data or other wise stated)

Note 25**Corporate social responsibility ('CSR')**

The Company has incurred CSR expenses mainly towards promoting education, healthcare, animal welfare, Rural development programmes, Water treatment, setting up old age homes and setting up homes for orphans which are specified in Schedule VII of the Companies Act, 2013.

Nature of CSR Activities

The Company has incurred CSR expenses mainly towards Protection Of National Heritage, Art And Culture, Rural development programmes, setting up old age homes and which are specified in Schedule VII of the Companies Act, 2013.

	For the year ended March 31, 2026	For the year ended March 31, 2025
Gross amount required to be spent during the year	13.25	8.36
Amount spent during the year	21.80	-
In cash		
i) Construction/acquisition of any asset	21.80	-
ii) On purposes other than (i) above	-	-
iii) Transferred to separate bank account	-	-
Yet to be paid in cash		
i) Construction/acquisition of any asset	-	8.36
ii) On purposes other than (i) above	-	-
Shortfall/(Excess) at the end of the year	(8.55)	8.36
Excess amount spent during the previous year	-	-
Total of Previous years shortfall	8.36	-
Net shortfall/(excess)	(0.19)	8.36

Note: The Company had spent excess Rs. 8.55 lakhs during the year ended March 31, 2026, which was approved by the Board of Directors, which has been adjusted with amount required to be spent for the year ended March 31, 2025.

Note 26

Particulars	Year ended	
	March 31, 2026	March 31, 2025
26.1. Expenditure in foreign currency		
- Purchase of goods	59.32	78.62
- Repair and Maintenance	19.71	5.67
- Capital goods	-	321.58
26.2. Earnings in foreign currency (Sale of goods - Export)	665.47	620.55
26.3. Estimated amount of contracts remaining to be executed on capital account and not provided for	-	-
26.4. Contingent liabilities not provided for	-	-
26.5. Claims against the company not acknowledged as debts	-	-

27. Dues to micro, small and medium enterprises

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated August 26, 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the 'Micro, Small and Medium Enterprises Development Act, 2006' ('the Act'). Accordingly, the disclosure in respect of the amounts payable to such enterprises as at March 31, 2026 and March 31, 2025 has been made in the financial statements based on information received and available with the Company.

Particulars	Year ended	
	March 31, 2026	March 31, 2025
(i) The principal amount remaining unpaid to any supplier at the end of each accounting year;	336.86	322.97
(ii) The interest due thereon remaining unpaid to any supplier at the end of each accounting year.	0.02	1.39
(iii) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
(iv) The amount of interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	0.02	1.39

Dues to micro and small enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. The same has been relied upon by the auditors.



28. Employee benefits expenses**Defined contribution plans**

The company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident fund, which is a defined contribution plan. The Company has no obligations other than to make the specified contributions. The contributions are charged to the Statement of Profit and Loss as they accrue. The amount recognised as an expense towards contribution to Provident fund for the year aggregated to Rs.39.95 lakhs (Previous year :Rs.33.49 lakhs).

Defined benefit plans**Gratuity**

The Company offers the following employee benefit schemes to its employees:

(i) Gratuity (included in Note 21 Employee benefits expense)

(ii) Long-term compensated absences (included in Note 21 Employee benefits expense)

The following table sets out the funded status of gratuity and the amount recognised in the financial statements:

Particulars	March 31, 2026	March 31, 2025
Fair value of plan assets	118.97	50.53
Plan assets at the end of the year	118.97	50.53

Movement in Fair values of plan assets	Gratuity	
Particulars	31st March 2026	31st March 2025
Fair Value of Plan Assets as at the beginning	50.53	-
Investment Income	3.40	-
Employer's Contribution	65.00	50.53
Return on plan assets, excluding amount recognised in net interest expense	0.04	-
Present value of defined benefit obligation at year end	118.97	50.53

Classification into current and non-current

The liability/(asset) in respect of each of the plan comprises of the following current and non-current portions:

Particulars	Non -current		Current	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Gratuity	28.48	53.53	-	-
	28.48	53.53	-	-

Movement in present values of defined benefit obligations	Gratuity	
Particulars	March 31, 2026	March 31, 2025
Defined benefit obligation at the beginning of the year	104.06	83.04
Current service cost	9.08	7.52
Interest Expense or Cost	7.96	5.97
Re-measurement (or Actuarial) (gain) / loss arising from:		
- Change in financial assumptions	(5.45)	3.94
- experience variance (i.e. Actual experience vs assumptions)	0.55	3.59
Past Service Cost	33.47	-
Benefits Paid	(2.49)	-
Present value of defined benefit obligation at year end	147.19	104.06

Expense recognised in statement of profit and loss	Gratuity	
Particulars	March 31, 2026	March 31, 2025
Current service cost	9.08	7.52
Past service cost	33.47	-
Net interest cost / (income) on the net defined benefit liability / (asset)	4.56	5.97
Total expense recognised in the statement of profit and loss	47.11	13.49

Expense recognised in other comprehensive income	Gratuity	
Particulars	March 31, 2026	March 31, 2025
Re-measurement (or actuarial) (gain) / loss arising from:		
- Change in financial assumptions	(5.45)	3.94
- Experience variance (i.e. actual experience vs assumptions)	0.55	3.59
Return on plan assets, excluding amount recognised in net interest expense	(0.04)	-
Total expense recognised in other comprehensive income	(4.93)	7.53



Summary of Material accounting policies and other explanatory information for the year ended March 31, 2026 (cont'd)

(All amounts are in Rupees in Lakhs except for share data or other wise stated)

Principal actuarial assumptions

The following are the principal actuarial assumptions at the reporting date (expressed as weighted averages) for compensated leave absences:

Particulars	Gratuity		Compensated absence	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Discount rate	7.25%	7.20%	7.25%	7.20%
Estimated rate of return on plan assets	7.25%	6.75%	-	-
Attrition rate	2.00%	2.00%	2.00%	2.00%
Future salary increases	4.00%	4.00%	4.00%	4.00%
Retirement age	58 years	58 years	58 years	58 years

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market. Assumptions regarding future mortality are based on published statistics and mortality tables. The calculation of the defined benefit obligation is sensitive to the mortality assumptions.

Sensitivity analysis

A quantitative sensitivity analysis for significant assumption is as shown below:

Particulars	March 31, 2026	March 31, 2025
Impact of change in the discount rate		
Impact due to increase of 1%	(11.56)	(8.49)
Impact due to decrease of 1%	13.19	9.69
Impact of change in the salary growth rate		
Impact due to increase of 1%	12.36	8.99
Impact due to decrease of 1%	(11.26)	(7.69)
Impact of change in the attrition rate		
Impact due to increase of 50%	2.95	1.82
Impact due to decrease of 50%	(3.27)	(2.03)
Impact of change in the mortality rate		
Impact due to increase of 10%	0.10	0.06
Impact due to decrease of 10%	(0.12)	(0.08)

29. Related party disclosures

Nature of relationship	Name of related party
Holding company	Yuken India Limited
Fellow subsidiary	Coretec Engineering India Pvt Ltd Kolben Hydraulics Limited
Associate of holding company	AEPL Grotek Renewable Energy Private Limited
Key management personnel	H M Narasinga Rao - Director



Related Party Transactions	Year ended	
	March 31, 2026	March 31, 2025
All amounts are including GST wherever applicable		
<u>Holding company</u>		
- Purchase of goods (including GST)	77.28	66.61
- Sale of goods and services	3,871.86	3,331.72
- Rent expense	66.37	62.96
- Corporate guarantee commission paid	33.24	28.01
- Expenses incurred	29.59	30.11
<u>Fellow subsidiary</u>		
<u>Coretec engineering india private limited</u>		
- Purchase of goods	34.08	30.05
- Sale of goods	49.09	5.21
- Expenses to be reimbursed to Coretec	-	-
<u>Kolben Hydraulics Limited</u>		
- Sale of goods	1.75	0.39
- Purchase of goods	-	1.16
Balances outstanding at the end of the year		
<u>Holding company</u>		
- Advance received	1,117.67	1,374.73
- Other Financial Liabilities - Rent Payable to related parties	4.85	4.01
- Corporate guarantee received	3,600.00	3,600.00
<u>Fellow subsidiary</u>		
<u>Coretec engineering india private limited</u>		
- Trade payable	71.62	201.71
<u>Associate of holding company</u>		
<u>AEPL Grotek Renewable Energy Private Limited</u>		
- Short term advance	66.50	10.50



Grotek Enterprises Private Limited

CIN - U29220KA1997PTC023210

Summary of Material accounting policies and other explanatory information for the year ended March 31, 2026 (cont'd)

(All amounts are in Rupees in Lakhs except for share data or other wise stated)

30. Earnings per Share

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Basic and diluted		
Net profit for the year from operations attributable to the equity shareholders	558.54	740.37
Weighted average number of equity shares (January 2017 the company issued 50,00,000 fresh equity shares)	50,10,000	50,10,000
Earnings per share from operations - Basic and diluted	11.15	14.78

31. Segment reporting

The Company is predominantly engaged in foundry business catering to Hydraulics, Automobile, Machine Tools, Textile Machinery, Earth moving, Agriculture and Material Handling industries which constitutes a single business segment and is governed by similar set of risks and returns.. The operations of the Company primarily cater to the market in India, which the management views as a single segment. The management monitors the operating results of its single segment for the purpose of making decisions about resource allocation and performance assessment.



Grotek Enterprises Private Limited

CIN - U29220KA1997PTC023210

Summary of Material accounting policies and other explanatory information for the year ended March 31, 2026 (cont'd)

(All amounts are in Rupees in Lakhs except for share data or other wise stated)

32. Financial Ratios

Ratio	Numerator	Denominator	Current Period	Previous Period	% Variance	Reason for variance
Current ratio (times)	Current assets	Current liabilities	0.67	0.61	11.33%	refer note 1 below
Debt-equity ratio (times)	Total Debt	Shareholder's Equity	4.08	3.53	15.83%	
Debt service coverage ratio (times)	Earnings available for debt service	Debt Service	1.91	2.56	-25.44%	
Return on equity (%)	Net Profits after taxes	Average Shareholder's Equity	0.23	0.39	-41.84%	
Inventory turnover ratio (times)	COGS	Average inventory	3.62	4.76	-23.98%	
Trade receivables turnover ratio (times)	Revenue	Average Trade Receivable	7.78	9.78	-20.40%	
Trade payable turnover ratio (times)	Purchases of services and other expenses	Average Trade Payables	6.50	5.94	9.42%	
Net capital turnover ratio (times)	Revenue	Working Capital	(6.82)	(5.87)	-16.14%	
Net profit ratio (%)	Net Profit	Revenue	0.06	0.08	-19.99%	
Return on capital employed (%)	Earning before interest and taxes	Capital Employed	0.34	0.31	8.36%	
Return on investment (%)	Income generated from investments	Time weighted average investments	-	-	0.00%	

Earning for debt service = Net profit after taxes + Non-cash operating expenses like depreciation and other amortisations + Interest + other adjustments like loss on sale of PP&E etc

Debt service = Interest and principal repayments including lease payments.

Shareholders equity = Contributed capital + retained earnings

Note 1 : Due to reduction on the revenue from operation which leads reduced profit as compared to previous year



33. Fair value measurements**(i) Financial instruments by category**

The carrying value and fair value of financial instruments by categories as of March 31, 2026 were as follows:

Particulars	Notes	Amortised cost	Financial assets/liabilities at FVTPL	Financial assets/liabilities at FVOCI
Assets :				
Other financial assets				
Security Deposit	5	171.34	-	-
Loans	5	17.50		
Cash and cash equivalents	8	59.70	-	-
Trade Receivables	7	1,133.99	-	-
Total		1,382.53	-	-
Liabilities:				
Borrowings	12	2,010.63	-	-
Other financial liabilities				
(i) Trade payables	15a	1,017.06	-	-
(ii) Other financial liability	15b	173.74		
Current maturities of long term debt	12	382.55	-	-
Total		3,583.98	-	-

The carrying value and fair value of financial instruments by categories as of March 31, 2025 were as follows:

Particulars	Notes	Amortised cost	Financial assets/liabilities at FVTPL	Financial assets/liabilities at FVOCI
Assets :				
Other financial assets				
Security Deposit	5	171.34	-	-
Loans	5	16.72		
Cash and cash equivalents	8	27.86	-	-
Trade Receivables	7	1,142.33	-	-
Total		1,358.25	-	-
Liabilities:				
Borrowings	12	1,766.34	-	-
Other financial liabilities				
(i) Trade payables	15a	1,084.61	-	-
(ii) Other financial liability	15b	319.98		
Current maturities of long term debt	16	303.20	-	-
Total		3,474.13	-	-

The management assessed that the fair value of cash and cash equivalents, trade receivables, loans, other financial assets, trade payables, working capital loans and other financial liabilities approximate the carrying amount largely due to short-term maturity of this instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

(ii) Fair value of financial assets and liabilities measured at amortised cost

The management assessed that for amortised cost instruments, fair value approximate largely to the carrying amount.

34. Fair value hierarchy

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three Levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: quoted prices (unadjusted) in active markets for financial instruments

Level 2: the fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data rely as little as possible on entity specific estimates.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.



Summary of Material accounting policies and other explanatory information for the year ended March 31, 2026 (cont'd)

(All amounts are in Rupees in Lakhs except for share data or other wise stated)

The carrying value of financial instruments by categories as follows:

Particulars	Notes	As at March 31, 2026	As at March 31, 2025
Financials measured at amortized costs:			
Financial assets			
(i) Other financial assets	5	188.84	188.06
Trade receivable *	7	1,133.99	1,142.33
Cash and cash equivalents and other bank balances			
Cash and cash equivalents #	8	59.70	27.86
Financial liabilities measured at amortized cost:			
Borrowings	12	2,010.63	1,766.34
Trade payables *	15a	1,017.06	1,084.61
Other financial liability	15b	173.74	319.98
Current Maturities of long term debt	16	382.55	303.20

*The carrying value of these accounts are considered to be the same as their fair value, due to their short term nature. Accordingly, these are classified as level 3 of fair value hierarchy.

These accounts are considered to be highly liquid/ liquid and the carrying amount of these are considered to be the same as their fair value.

35. Financial risk management**Risk management framework**

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The primary market risk to the Company is foreign exchange exposure risk. The Company uses derivative financial instruments to mitigate foreign exchange related risk exposures. The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer.

The Company's risk management activity focuses on actively securing the Company's short to medium-term cash flows by minimising the exposure to volatile financial markets. Long-term financial investments are managed to generate lasting returns.

The Company does not actively engage in the trading of financial assets for speculative purposes nor does it write options. The most significant financial risks to which the Company is exposed are described below.

(A) Credit risk analysis

Credit risk is the risk that a counterparty fails to discharge an obligation to the Company, resulting in a financial loss. The Company is exposed to this risk for various financial instruments. The Company's maximum exposure to credit risk is limited to the carrying amount of financial assets, as summarised below:

Assets under credit risk	As at March 31, 2026	As at March 31, 2025
Loan to employees	17.50	16.72
Cash and cash equivalents	0.19	0.41
Bank balances other than cash and cash equivalents	59.51	27.45
Trade receivables	1,133.99	1,142.33
Totals	1,211.19	1,186.91



A1 Trade and other receivables

Trade receivables are typically unsecured and are derived from revenue earned from customers (Related Parties) primarily located in India. Credit risk has always been managed by the Company through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business. Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. Historical trends of impairment of trade receivables do not reflect any significant credit losses. Given that the macro economic indicators affecting customers of the Company have not undergone any substantial change, the Company expects the historical trend of minimal credit losses to continue. Further, management believes that the unimpaired amounts that are past due by more than 30 days are still collectible in full, based on historical payment behavior and extensive analysis of customer credit risk.

A2 Cash and cash equivalents

The credit risk for cash and cash equivalents, and derivative financial instruments is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

Financial assets that are neither past due nor impaired

Cash and cash equivalents, advances recoverable, loans and advances to employees, security deposit and other financial assets are neither past due nor impaired.

Financial assets that are past due but not impaired

There is no other class of financial assets that is past due but not impaired.

(B) Liquidity risk

Liquidity risk is that the Company might be unable to meet its obligations. The Company manages its liquidity needs by monitoring scheduled debt servicing payments for long-term financial liabilities as well as forecast cash inflows and outflows due in day-to-day business. The data used for analysing these cash flows is consistent with that used in the contractual maturity analysis below. Liquidity needs are monitored in various time bands, usually on a month on month basis. Long-term liquidity needs for a 360-day lookout period are identified monthly. Net cash requirements are compared to available borrowing facilities in order to determine headroom or any shortfalls. This analysis shows that available borrowing facilities are expected to be sufficient over the lookout period.

The Company's objective is to maintain cash and marketable securities to meet its liquidity requirements for 30-day periods at a minimum. This objective was met for the reporting periods. Funding for long-term liquidity needs is additionally secured by an adequate amount of committed credit facilities and the ability to sell long-term financial assets.

The Company's non-derivative financial liabilities have contractual maturities (including interest payments where applicable) as summarised below:

Maturities of financial liabilities

As at 31st March 2026	Less than 1 year	1 year to 5 years	More than 5 years	Total
Borrowings	1,460.81	549.82	-	2,010.63
Trade payables	1,017.06	-	-	1,017.06
Lease Liability	13.54	21.87	-	35.41
Total	2,491.41	571.69	-	3,063.10

Maturities of financial liabilities

As at 31st March 2025	Less than 1 year	1 year to 5 years	More than 5 years	Total
Borrowings	1,160.26	606.08	-	1,766.34
Trade payables	1,084.61	-	-	1,084.61
Others	-	-	-	-
Total	2,244.87	606.08	-	2,850.95

(C) Market risk

Market risk is the risk of loss of future earnings or fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign exchange rates and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables. The company has no transactions which would carry any interest rate risk or foreign currency risk in regards to fair value or future cash flows of financial instruments.



36. Reconciliation of tax expense and the accounting profit

Particulars	Year ended	Year ended
	31st March 2026	31st March 2025
Accounting profit before tax and exceptional item		
Tax on accounting profit at statutory income tax rate [27.82%] (PY 27.82%)	785.28	1,037.40
Tax effect on permanent non-deductible expenses	218.46	288.60
Tax adjustments of prior years	-	-
Effect of unabsorbed business losses	-	-
Others	8.28	8.43
At the effective income tax rate of 27.82% (PY 27.82%)	226.74	297.03
Income tax expense reported in the Statement of Profit and Loss	226.74	297.03

37. Additional Legal Regulatory Information

- a) The Company has not revalued its property, plant and equipment (including the right of use assets) and intangible assets.
- b) No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.
- c) The Company has not been declared as a wilful defaulter by any bank or financial institution or other lenders.
- d) Compliance with clause (87) of section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017 with respect to layer of companies are not applicable to the company.
- e) The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956
- f) The Company does not have any charges or satisfaction which is yet to be registered with Registrar of companies beyond the statutory period.
- g) The Company has not entered into any scheme of arrangement as per section 230 to 237 of the Companies Act, 2013.
- h) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- i) 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.
- j) The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- k) The Company have not traded or invested in Crypto currency or Virtual currency during the financial year.

38. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

for and on behalf of the Board of directors of

Chartered Accountants

CIN No: U29220KA1997PTC023210

C.P. Rangachar

Director

DIN: 00310893

Place: Bangalore

Date : May 18, 2026



H.M. Narasinga Rao

Director

DIN: 00529717

Place: Bangalore

Date : May 18, 2026



CORETEC ENGINEERING INDIA PRIVATE LIMITED

Regd. Office & Works:

B-59, Dyavasandra Industrial Estate,
Mahadevapura, Whitefield Road,
Bengaluru- 560048
E Mail: coretecengg@gmail.com
CIN: U29246KA1998PTC023863

Factory:

Plot No.260, 263, 264, Malur III Phase,
Industrial Area, KIADB Road No.7,
Malur Taluk, Kolar, Karnataka, India
563130.
Mobile: +91-9148157504

NOTICE OF TWENTY-EIGHTH (28th) ANNUAL GENERAL MEETING

NOTICE is hereby given that the 28th Annual general Meeting of the Members of Coretec Engineering India Private Limited will be held on, Wednesday, July 22, 2026, at 11:00 AM at B-59, Dyavasandra Industrial Estate, Mahadevapura, Whitefield Road, Bengaluru- 560048, India to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited standalone and consolidated financial statements of the Company for the Financial Year ended March 31, 2026, and the reports of the Board of Directors and the Auditors thereon.
2. To appoint director in place of Mr. K G Ravi (DIN: 03520396) who retires by rotation and being eligible offers himself for re-appointment.
3. To Appoint Statutory Auditors of the Company

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

"RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, and pursuant to the recommendation of the Board of Directors, M/s SGSK & Company, Chartered Accountants (Firm Registration No. AEPFS7177B), who were appointed by the Members at the Extraordinary General Meeting of the Company held on June 09, 2026 to fill the casual vacancy caused by the resignation of M/s VKAN & Associates, Chartered Accountants, and who hold office up to the conclusion of this 28th Annual General Meeting, and who have consented to act as Statutory Auditors of the Company and have confirmed their eligibility under the provisions of the Companies Act, 2013, be and are hereby appointed as Statutory Auditors of the Company to hold office for a term of five consecutive years from the conclusion of this 28th Annual General Meeting until the conclusion of the 33rd Annual General Meeting of the Company, at such remuneration as may be determined by the Board of Directors in consultation with the Auditors.

RESOLVED FURTHER THAT any Director of the Company be and is hereby authorized to do all such acts, deeds, matters and things and to file all necessary

forms and documents with the Registrar of Companies and other authorities as may be required for giving effect to this resolution."

SPECIAL BUSINESS

4. To appoint Mr. Balakhanthan Nanda Kumar as Director

To Consider and if thought fit, to pass, with or without modifications the following resolution as an ordinary resolution

"RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, **Mr. Balakhanthan Nanda Kumar (DIN: 11669046)**, who was appointed as an Additional Director of the Company by the Board of Directors with effect from April 21, 2026 and who holds office up to the date of this Annual General Meeting in terms of Section 161 of the Companies Act, 2013, be and is hereby appointed as a Director of the Company, liable to retire by rotation.

RESOLVED FURTHER THAT any Director of the Company be and is hereby severally authorised to do all such acts, deeds, matters and things as may be necessary, proper or expedient, including filing of necessary forms, returns and documents with the Registrar of Companies and other statutory authorities, and to take all such steps as may be required to give effect to this resolution."

**By order of the Board of Directors
For Coretec Engineering India Private Limited**



K G Ravi

**K G Ravi
Director
DIN: 03520396**

*No. 22/16, MGK Murthy
Layout, Chamrajpet,
Bengaluru - 560018*

Notes

1. The explanatory statement setting out the material facts pursuant to section 102 of the Companies Act, 2013, relating to special business be transacted at the meeting is annexed.
2. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member of the Company. The instrument appointing proxy in order to be effective must be deposited at the registered office of the Company not less than 48 hours before the commencement of the Meeting.
3. Members/Proxies are requested to bring their attendance slip duly filled in for attending the Meeting.
4. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 will be available for inspection by the members at the AGM.
5. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the members at the AGM.
6. All documents referred to in the Notice and Explanatory Statement shall be available for inspection by the members at the Registered Office of the Company during business hours on all working days up to the date of the AGM.
7. Members seeking any information with regard to the accounts or any matter to be placed at the AGM are requested to write to the Company at least 7 days in advance so as to enable the management to keep the information ready.
8. Members are requested to bring their copy of the Annual Report to the Meeting as copies will not be distributed at the venue.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO-03

M/s VKAN & Associates, Chartered Accountants, resigned as Statutory Auditors of the Company with effect from June 02, 2026, resulting in a casual vacancy in the office of Statutory Auditors. Pursuant to Section 139(8) of the Companies Act, 2013, the Members of the Company at their Extraordinary General Meeting held on June 09, 2026, appointed M/s SGSK & Company, Chartered Accountants (Firm Registration No. AEPFS7177B), as Statutory Auditors to fill the said casual vacancy and to hold office until the conclusion of this Annual General Meeting.

The Board of Directors, based on the recommendation of the Audit Committee (where applicable), has recommended the appointment of M/s SGSK & Company, Chartered Accountants, as Statutory Auditors of the Company for a term of five consecutive years commencing from the conclusion of this Annual General Meeting until the conclusion of the Annual General Meeting to be held in the year 2031.

M/s SGSK & Company have furnished their written consent to act as Statutory Auditors and have confirmed that their appointment, if made, shall be in accordance with the conditions prescribed under the Companies Act, 2013 and the rules made thereunder.

The Board recommends the Ordinary Resolution set out at Item No. 3 of the Notice for approval of the Members.

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

ITEM NO-04

The Board of Directors, at its meeting held on **April 21, 2026**, had appointed **Mr. Balakhanathan Nanda Kumar (DIN: 11669046)** as an Additional Director of the Company pursuant to the provisions of Section 161 of the Companies Act, 2013. In terms of the said Section, he holds office as an Additional Director up to the date of the ensuing Annual General Meeting of the Company.

The Company has received consent from **Mr. Balakhanthan Nanda Kumar** to act as a Director of the Company along with a declaration confirming that he is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013. The Company has also received requisite disclosures as prescribed under the Act.

The Board considers that the appointment of **Mr. Balakhanathan Nanda Kumar** as a Director would be in the best interest of the Company, considering his experience and expertise. Accordingly, the Board recommends the resolution for approval of the members.

Except **Mr. Balakhanathan Nanda Kumar**, being the appointee, none of the Directors, Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the resolution set out above.

The Board recommends the Ordinary Resolution set out in the Notice for approval of the members.

**By order of the Board of Directors
For Coretec Engineering India Private Limited**



**K G Ravi
Director
DIN: 03520396**

No. 22/16, MGK Murthy
Layout, Chamrajpet,
Bengaluru - 560018

ATTENDANCE SLIP
ANNUAL GENERAL MEETING OF CORETEC ENGINEERING INDIA PRIVATE LIMITED

CIN: U29246KA1998PTC023863

Registered Office: B-59, Dyavasandra Industrial Estate, Mahadevapura, Whitefield Road, Bengaluru- 560048, India

Date: July 22, 2026

Time: 11.00 AM

Venue: B-59, Dyavasandra Industrial Estate, Mahadevapura, Whitefield Road, Bengaluru- 560048, India

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

Name of the Member / Authorised Representative:

DP ID - Client ID / Folio No.:

No. of Shares Held:

Name of Proxy (if applicable): _____

I hereby record my presence at the **28TH Annual General Meeting of the Company** held on _____ at _____.

Signature of Member / Authorised Representative / Proxy: _____

Note:

1. Members/Proxies are requested to bring their copy of the Notice for reference at the Meeting.
2. This Attendance Slip will not be accepted without signature.

FORM NO. MGT-11**PROXY FORM**

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Company	
CIN	
Registered Office Address	

DETAILS OF MEMBER

Particulars	Details
Name of Member	
Registered Address	
E-mail ID	
Folio No. / DP ID - Client ID	
No. of Shares Held	

DETAILS OF PROXY

Particulars	Details
Name of Proxy	
Address	
E-mail ID	
Signature of Proxy	

I/We, being the member(s) of the above named Company, hereby appoint the above named person as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the ____ Annual General Meeting of the Company to be held on _____ at _____ and at any adjournment thereof in respect of the resolutions mentioned below:

RESOLUTIONS

Item No.	Resolution Description
1	

2	_____
3	_____

Signed this ____ day of _____ 20__

| Signature of Member | _____ |

NOTES

1. A proxy need not be a member of the Company.
2. The proxy form must be deposited at the Registered Office of the Company not less than 48 hours before the time of the Meeting.
3. A person can act as proxy on behalf of not more than 50 members and holding not more than 10% of total share capital of the Company.

BOARD'S REPORT

To,

**The Members of
Coretec Engineering India Private Limited**

The Board of Directors are pleased to present the **28th** Annual Report of the business and operations of the Company together with the audited financial statements for the year ended March 31, 2026.

1. FINANCIAL PERFORMANCE:

Financial highlights:

(Rs. In Lakhs)

Particulars	FY 2025-26	FY 2024-25
Revenue from Operations	5,908.66	4,886.03
Other Income	34.57	13.14
Total Income	5,943.23	4,899.17
Total Expenses	6,100.16	4,881.13
Profit/(Loss) Before Tax	(156.93)	18.04
Tax Expense/(Benefit)	37.79	29.86
Profit/(Loss) After Tax	(194.72)	(11.82)
Other Comprehensive Income/(Loss) (Net of Tax)	3.78	(2.53)
Total Comprehensive Income/(Loss) for the Year	(190.94)	(14.35)

2. PERFORMANCE REVIEW:

During the financial year 2025-26, the Company recorded revenue from operations of ₹5,908.66 Lakhs as against ₹4,886.03 Lakhs in the previous financial year, registering a growth of approximately 20.93%. The total income of the Company increased to ₹5,943.23 Lakhs from ₹4,899.17 Lakhs in the previous year.

The Company incurred a loss before tax of ₹156.93 Lakhs during the year as compared to a profit before tax of ₹18.04 Lakhs in the previous year, primarily due to higher operating and finance costs. Consequently, the Company reported a loss after tax of ₹194.72 Lakhs as against a loss after tax of ₹11.82 Lakhs in the previous financial year.

The total comprehensive loss for the year stood at ₹190.94 Lakhs as compared to ₹14.35 Lakhs in the previous year.

3. ANNUAL RETURN:

As per Section 92 (3) of the Companies Act, 2013 the Company shall place a copy of the annual return on the website of the Company, if any. Since the Company do not have its website, hence the web-link is not given.

4. NUMBER OF MEETINGS OF THE BOARD:

During the Financial Year 2025-26, Four (4) Board Meetings were held. The details of the meetings are provided below:

Sl. No.	Date of Board Meeting
1	May 23, 2025
2	August 2, 2025
3	October 31, 2025
4	February 9, 2026

5. DIRECTORS RESPONSIBILITY STATEMENT:

In accordance with the provisions of Section 134(5) of the Companies Act, 2013, the Board hereby submits its Responsibility Statement:

- (a) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) The directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the profit and loss of the Company for that period;
- (c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) The Directors have prepared the annual accounts on a going concern basis;
- (e) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

6. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013:

The Company has not made any loans or advances or given guarantees or provided securities or made investments in other bodies corporate during the financial year.

7. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES:

All contracts or arrangements with related parties, entered into or modified during the financial year were at arm's length basis and in the ordinary course of the Company's business.

As per requirements of Indian Accounting Standard 24, the transactions with related parties are disclosed in the Note No. 34 of the Notes forming part of the financial statements.

A statement in Form AOC-2 pursuant to the provisions of Clause (h) of sub-section (3) of section 134 of the Act read with sub-rule (2) of rule 8 of Companies (Accounts) Rules, 2014 is furnished in "Annexure-1" is forming part of this report.

8. DETAILS OF AMOUNTS TRANSFERRED TO RESERVES:

The Company has not transferred any amount to reserves during the year.

9. DIVIDEND:

Your directors do not recommend any dividend for the financial year ended March 31, 2026 to conserve cash for the future expansion.

10. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND:

The Company was not required to transfer any amounts in unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years to Investor Education and Protection Fund.

11. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION BETWEEN END OF FINANCIAL YEAR AND DATE OF REPORT:

There has been no material changes and commitments, affecting the financial performance of the Company occurred between the end of the financial year of the Company to which the Financial Statements relate and the date of this Report.

12. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO UNDER SECTION 134(3)(m) OF THE COMPANIES ACT, 2013 READ WITH RULE 8(3) OF THE COMPANIES (ACCOUNTS) RULES, 2014:

In terms of clause (m) of sub-section (3) of section 134 of the Companies Act, 2013 and the rules framed there under, the particulars relating to conservation of energy, technology absorption and foreign earnings and outgo is given below:

1) CONSERVATION OF ENERGY:

The consumption of electricity during the year is minimal. The management is taking conscious efforts to conserve the energy.

2) TECHNOLOGY ABSORPTION:

The Company has no activity relating to technology absorption.

3) FOREIGN EXCHANGE EARNINGS AND OUTGO:

Sl. No.	Particulars	As on 31.03.2026 (Amount in INR)	As on 31.03.2025 (Amount in INR)
01	Foreign Exchange Earnings	NIL	NIL
02	Foreign Exchange Outgo	25,40,187	7,72,036

13. DETAILS OF CHANGE IN NATURE OF BUSINESS, IF ANY:

There was no change in the nature of business of the Company during the year 2025-26.

14. BOARD OF DIRECTORS:

The Board comprises following Directors:

Sl. No	Name of the Directors	Designation
1	Kandachar Gopalarao Ravi	Director
2	Shashikant Kala Naik	Director
3	A Venkatakrishnan	Director

15. DECLARATION BY INDEPENDENT DIRECTORS:

The Company was not required to appoint Independent Directors under Section 149(4) and Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and hence, no declaration was obtained.

16. REMUNERATION POLICY:

The provisions of Section 178(1) of the Companies Act, 2013 is not applicable to Company. However, remuneration policy as adopted by the Company envisages payment of remuneration according to qualification, experience and performance at different levels of the organization. The employees at the factory as well as those rendering clerical, administrative and professional services are suitably remunerated according to the industry norms.

17. SUBSIDIARY:

The Company do not have any subsidiary companies, associate companies and joint ventures.

18. STATUS OF THE COMPANY:

The Company is a wholly-owned subsidiary of **YUKEN INDIA LIMITED**.

19. INTERNAL FINANCIAL CONTROLS:

The Board has adopted the policies and procedures for ensuring the orderly and efficient conduct of business, including adherence to the 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 disclosures.

20. DEPOSITS:

During the year under review, your Company did not accept any deposit within the meaning of the provisions of Chapter V - Acceptance of Deposits by Companies read with the Companies (Acceptance of Deposits) Rules, 2014.

Pursuant to the Ministry of Corporate Affairs (MCA) notification amending the Companies (Acceptance of Deposits) Rules, 2014, the Company has filed with the Registrar of Companies (ROC) the requisite returns for outstanding receipt of money/loan by the Company, which is not considered as deposits.

21. MATERIAL ORDERS PASSED BY REGULATORY AUTHORITIES:

There are no significant and material orders passed by the regulators or courts or tribunals during the year, impacting the going concern status and Company's operations in future.

22. RISK MANAGEMENT POLICY:

Risks are events, situations or circumstances which may lead to negative consequences on the Company's businesses. Risk Management is a structured approach to manage uncertainty. Although the Company does not have a formal risk management policy but a formal enterprise-wide approach to Risk Management is being adopted by the Company and key risks will now be managed within a unitary

framework. Key business risks and their mitigation are also considered in the annual / strategic business plans and in periodic management reviews.

23. DETAILS OF REVISION OF FINANCIAL STATEMENTS:

There was no revision of the financial statements of the Company, during the year 2025-26.

24. CORPORATE SOCIAL RESPONSIBILITY:

The provisions of section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 are not applicable to the Company.

25. SECRETARIAL STANDARDS:

The Company complies with all applicable mandatory secretarial standards issued by Institute of Company Secretaries of India.

26. THE DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONGWITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR:

There is no application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2013 as on March 31, 2026.

27. THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF:

Not Applicable.

28. DISCLOSURE FOR MAINTENANCE OF COST RECORDS AS PER SECTION 148(1):

The Company is not required to maintain the books of accounts and other related records as per rules prescribed by the Central Government under section 148(1) of the Companies Act, 2013.

29. PARTICULARS OF EMPLOYEES:

During the year under review, the Company had no employees who earned remuneration beyond the limits specified under Section 197 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016.

30. HUMAN RESOURCES:

The management has always carried out systematic appraisal of performance and imparted training at periodic intervals. The company has always recognized talent and has judiciously followed the principle of rewarding performance.

31. SHARE CAPITAL:

The Board provides following disclosures pertaining to Companies (Share Capital and Debentures) Rules, 2014:

Sl. No.	Particulars	Disclosure
1.	Issue of Equity shares with differential rights	Nil
2.	Issue of Sweat Equity shares	Nil
3.	Issue of employee stock option	Nil

4:	Provision of money by company for purchase of its own shares by trustees for the benefit of employees	Nil
----	---	-----

As on March 31, 2025 the authorized share capital of the Company is Rs. 5,00,00,000/- consisting of 50,00,000 equity shares of Rs. 10/- each. The paid up share capital of the Company is Rs. 3,61,96,000/- consisting of 36,19,600 equity shares of Rs. 10/- each.

32. STATUTORY AUDITORS:

Pursuant to provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, M/s. V K A N & Associates, Chartered Accountants, Bengaluru have been appointed as statutory auditors of the Company at the Annual General Meeting held on 3rd September, 2024, for a period of 5 years and to hold the office up to the conclusion Annual General Meeting of the Company to be held in the year 2029.

The Statutory Auditor's Report for FY 2025-26 does not contain any qualifications reservation or adverse remark.

Further, the Auditors of the Company have not reported any fraud as specified under Section 143(12) of the Act. The Auditor's Report is enclosed with the financial statements.

33. SECRETARIAL AUDITORS:

As per the Regulation 16 (1) (c) of SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015 the Company is a material subsidiary of Yuken India Limited for the FY 2025-26 and as per the provisions of regulation 24A of SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015, Secretarial Audit is applicable to Company.

Hence, Pursuant to the provisions of Section 204 of the Companies Act, 2013 and Rules made there under, the Company has appointed M/s. AAA & Co., Practicing Company Secretaries to undertake the Secretarial Audit of the Company for FY 2026-27. The Secretarial Auditors' Report for FY 2025-26 does not contain any qualifications. The Report of the Secretarial Audit attached as '**Annexure 2**' is forming part of this report.

The Board of Directors have re-appointed M/s. AAA & Co, Company Secretary in Practice to conduct the Secretarial Audit for FY 2026-27 also.

34. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

Your Company has always believed in providing a safe and harassment free workplace for every individual working in the Company's premises through various interventions and practices. The Company always endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment.

The Company does not have a formal Anti Sexual Harassment policy in place but has adequate measures including checks and corrections in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. During the year 2025-26, no complaint of sexual harassment has been received.

35. ACKNOWLEDGEMENTS:

Your Directors place on record their sincere thanks to the Customers, bankers, business associates, consultants, Regulatory authorities, various Government

Authorities and all the stakeholders for their continued support extended to your Company's activities during the year. Your Directors also acknowledge their gratitude to the Shareholders of the Company, for their continuous support and confidence reposed on the Company. Your Directors wish to place on record their appreciation of the dedicated and untiring hard work put by the employees at all levels.

On behalf of the Board
For Coretec Engineering India Private Limited



Venkatakrishnan A
Director
DIN:08219189

Date: May 18, 2026
Place: Bengaluru

#B-801, Platinum City
Yeshwanthpur,
Bengaluru - 560022



K.G. Ravi
Director
DIN: 03520396



No. 22/16, MGK Murthy
Layout, Chamrajpet,
Bengaluru - 560018

ANNEXURE-1
Form No. AOC-2

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 arms length transactions under

fourth proviso thereto

[Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 20

- 1. Name of the Company- Coretec Engineering India Private Limited**
- 2. Details of contracts or arrangements or transactions not at arm's length basis**

Number of contracts/Arrangements or transactions not at arm's length-Nil

Block-1	Details
Corporate identity number (CIN)	NA
Name(s) of the related party and nature of relationship	NA
Nature of contracts / arrangements / transactions	NA
Duration of the contracts / arrangements / transactions	NA
Salient terms of the contracts or arrangements or transactions including value, if any	NA
Justification for entering into such contracts or arrangements or transactions	NA
Date(s) of approval by the Board	NA
Amount paid as advances, if any	NA
Date on which special resolution was passed in general meeting, if required	NA
SRN of MGT-14	NA

- 3. Details of material contracts or arrangements or transactions at arm's length basis**

Number of material contracts or arrangements or transactions at arm's length-1

Block-1	Details
Corporate identity number (CIN)	L29150KA1976PLC003017
Name(s) of the related party and nature of relationship	Holding Company (Yuken India Limited is holding 100% of share capital of Coretec Engineering India Private Limited
Nature of contracts / arrangements / transactions	Sale of goods and services
Duration of the contracts / arrangements / transactions	Continuous one
Salient terms of the contracts or arrangements or transactions including value, if any	Sales of goods and services in the ordinary course of business worth INR 5,765.67 Lakhs
Justification for entering into such contracts or arrangements or transactions	The sale transaction with the Related Party is in the ordinary course of business of the Company and is undertaken to

	further its business objectives.
	The transaction pertains to the sale of goods/products/services that are routinely offered by the Company as part of its regular business operations.
Date(s) of approval by the Board	NA
Amount paid as advances, if any	INR 2,866.89 Lakhs
Date on which special resolution was passed in general meeting, if required	NA
SRN of MGT-14	NA

All the related party transactions are in the ordinary course of business and on arm's length basis. Please refer to transactions reported in Note No 34 of the notes forming part of the financial statements in annual report.

On behalf of the Board
For Coretec Engineering India Private Limited


Venkatakrishnan A
Director
DIN:08219189

Date: May 18, 2026
Place: Bengaluru

B-801, Platinum City
Yeshwanthpur,
Bengaluru - 560022


K G Ravi
Director
DIN: 03520396



No. 22/16, MGK Murthy
Layout, Chamrajpet,
Bengaluru - 560018

ANNEXURE-02

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,
CORETEC ENGINEERING INDIA PRIVATE LIMITED
B-59, DYAVASANDRA INDUSTRIAL ESTATE,
MAHADEVAPURA, WHITEFIELD ROAD, BANGALORE, KA 560048**

We have conducted the secretarial audit of the compliance of the applicable statutory provisions and the adherence to good corporate practices by CORETEC ENGINEERING INDIA PRIVATE LIMITED bearing CIN: U29246KA1998PTC023863 (hereinafter called The Company). Secretarial Audit was conducted in the manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the 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 the secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year 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:

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

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) act, 1956 ('SCRA') and the rules made there under [Not Applicable];
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under [To the extent applicable to Share are dematerialised];
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings [Not Applicable];
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 [Not Applicable];

- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 [Not Applicable];
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 [Not Applicable];
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 [Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (effective 28th October 2014); [Not Applicable];
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; [Not Applicable];
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with clients [Not Applicable];
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 [Not Applicable]; and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 [Not Applicable];
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [To the extent Applicable to a material subsidiary as defined in Regulation 16 (1) (c) of the said Regulations].
- (vi) The other Laws as applicable specifically to the Company are as under,
- a) Indian Stamp Act, 1899 and State Stamp Acts.
 - b) The Employees' Provident Fund and Miscellaneous Provisions Act, 1952
 - c) The Employees' State Insurance Act, 1948
 - d) The Child labour [Prohibition and Regulation] Act, 1986,
 - e) The Water (Prevention and Control of Pollution) Act, 1974
 - f) The Water (Prevention and Control of Pollution) Cess Act, 1977
 - g) The Air (Prevention and Control of Pollution) Act, 1981
 - h) The Environment (Protection) Act, 1986
 - i) The Hazardous Wastes (Management and Handling) Rules, 1989
 - j) The Factories Act, 1948
 - k) The Karnataka Tax on Professions, Trades, Callings And Employment Act, 1976

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

- (i) Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India and made effective 1st October, 2017 (Revised versions).

(ii) The Listing Agreements entered into by the Company [Not Applicable];

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

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. During the period under review there were no changes in the composition of the Board of directors.

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.

As per the Minutes of the Board of Directors duly recorded and signed by the Chairman, the decisions were Unanimous and no dissenting views have been recorded.

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

During the year under review, there were no instances of:

- i. Public/Right/Preferential issue of shares / debentures/sweat equity, etc.
- ii. Redemption / buy-back of securities
- iii. Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013
- iv. Merger / amalgamation / reconstruction, etc. or
- v. Foreign technical collaborations

For AAA & Co
Company Secretaries

Abhishek Bharadwaj A B
Practicing Company Secretary
FCS No: 8908
C P No.: 13649

Date: 18-05-2026
Place: Mysuru
UDIN: F008908H000358939

Note: our report of even date is to be read along with our letter of even date which is annexed as Annexure – 1 and forms an integral part of this report.

Annexure – 1

**To,
The Members,
CORETEC ENGINEERING INDIA PRIVATE LIMITED
B-59, DYAVASANDRA INDUSTRIAL ESTATE,
MAHADEVAPURA, WHITEFIELD ROAD, BANGALORE, KA 560048**

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

Management's Responsibility

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

Auditor's Responsibility

1. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
2. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for me to provide a basis for our opinion.
3. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.

Disclaimers

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

Signature:

Name of Company Secretary in Practice: Abhishek Bharadwaj A B

FCS No.: 8908

C P No.: 13649

Date: 18-05-2026

Place: Mysuru

Independent Auditor's Report

To the Members of Coretec Engineering India Private Limited

Report on the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of Coretec Engineering India Private Limited ("*the Company*") which comprises the Balance Sheet as at March 31, 2026, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and Notes to the financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as the "Financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, and its loss, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing ("SA's") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Ind AS financial statements.

Management's responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the Ind AS and accounting principles generally accepted in India, 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 implementation and maintenance of 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.



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

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibility for the Audit of the Ind AS Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls 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 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 Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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



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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.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 except for the matters stated in the paragraph 143(3)(h)(vi) below on reporting under Rule 11(g).
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards 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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) With respect to the matters to be included in the Auditor's report in accordance with the requirement of section 197(16) Act, as amended, in our opinion and to the best of our information and according to the explanation given to us, the Company has not paid any remuneration to its directors during the year in accordance with the provisions of section 197 of the Act.



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- h) With respect to the maintenance of accounts and other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 except for the matters as stated in the paragraph 143(3)(b) and paragraph 143(3)(h)(vi), in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company
 - iv.
 - a. The management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in aggregate) have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person or entity, including foreign entities ('the 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 ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
 - b. The management has represented 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 Company from any person or entity, including foreign entities ('the 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; and
 - c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our attention that causes us to believe that the management representations under sub-clauses (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
 - v. The Company has not declared or paid any dividend during the year ended March 31, 2026.



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- vi. Based on our examination, the company, has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and recording an audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made, except for cases no audit trail is enabled at the database level for accounting software to log any direct data changes.

Except for the above-mentioned edit logs, the audit trail facility has been operating throughout the year for all relevant transactions recorded in the software. Additionally, the audit trail has been preserved by the company as per the statutory requirements for record retention.

Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with, except for the above scenario where no audit trail is enabled at the database level for accounting software to log any direct data changes.

- As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

For V K A N & Associates
Chartered Accountants
ICAI Firm Registration No 014226S



Vishwas Deshmukh
Partner
Membership No. 230806



Place: Bengaluru
Date: May 18, 2026
UDIN: 26230806IKRQKN1503

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Annexure A to the Independent Auditor's Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Coretec Engineering India Private Limited of even date)

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

We have audited the internal financial controls over financial reporting of Coretec Engineering India Private Limited ("the Company") as of March 31, 2026 in conjunction with our audit of the 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 (the "ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 to Financial Statement.



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Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 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 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 ICAI.

For V K A N & Associates

Chartered Accountants

ICAI Firm Registration No 014226S



Vishwas Deshmukh

Partner

Membership No. 230806



Place: Bengaluru

Date: May 18, 2026

V K A N & Associates

Chartered Accountants

Annexure B to the Independent Auditor's Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Coretec Engineering India Private Limited of even date)

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

- (i) In respect of the Company's Property, Plant and Equipment and Intangible Assets:
- (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
 - (B) The Company has maintained proper records showing full particulars of intangible.
 - (b) The fixed assets were physically verified during the year by the Management with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) The title deeds of all the immovable properties held by the Company (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.
 - (d) The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.
 - (e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Accordingly, reporting under clause 3(i)(e) of the Order is not applicable to the Company.
- (ii)
- (a) The management has conducted physical verification of inventory at reasonable intervals during the year, except for inventory lying with third parties. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed.
 - (b) The Company has been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, from banks or financial institutions on the basis of security of current assets and the company is regular in filing statements on a quarterly basis with the banks or financial institutions. The quarterly statements filed with banks or financial institutions are in agreement with books of accounts.



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- (iii) The Company has not made any investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or any other parties during the year. Accordingly, reporting under clause 3(iii) of the Order is not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not entered into any transaction covered under sections 185 and 186 of the Act. Accordingly, reporting under clause 3(iv) of the Order is not applicable to the Company.
- (v) The Company has not accepted any deposits or there is no amount which has been considered as deemed deposit within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of Company's products/business activity. Accordingly, reporting under clause 3(vi) of the Order is not applicable.
- (vii) According to the information and explanations given to us and on the basis of our examination of books of accounts in respect of statutory dues,
 - a) The Company is regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.
 - b) According to the information and explanations given to us, there are no statutory dues referred to in subclause (a) above that have not been deposited with the appropriate authorities on account of any dispute as on March 31, 2026.
- (viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been recorded in the books of accounts.
- (ix)
 - (a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.
 - (b) According to the information and explanations given to us including representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or other lender.



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Chartered Accountants

- (c) In our opinion and according to the information and explanations given to us, money raised by way of term loans were applied for the purposes for which these were obtained.
- (d) In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have not been utilised for long term purposes.
- (e) According to the information and explanations given to us and 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) According to the information and explanations given to us, the Company has not raised any loans by way of pledge of securities held in its subsidiaries, joint ventures or associates hence reporting on clause 3(ix)(f) of the Order is not applicable.
- (x)
 - (a) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (x) (a) of the Order is not applicable.
 - (b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- (xi)
 - (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the period covered by our audit.
 - (b) According to the information and explanation given to us, no report under sub-section (12) of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rule, 2014 with the Central Government.
 - (c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.



V K A N & Associates

Chartered Accountants

- (xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.
- (xiv) According to the information and explanations given to us, the Company is not required to have an internal audit system under section 138 of the Act, However the company has an internal audit system, which is commensurate with the size and nature of its business.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, provisions of section 192 of the Act are not applicable to the Company.
- (xvi)
- (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi) of the Order is not applicable.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities during the year without a valid Certificate of Registration (CoR) from the RBI as per the Reserve Bank of India Act, 1934.
- (c) According to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the RBI. Accordingly, reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.
- (xvii) The Company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the plans of the Board of Directors and management, we are of the opinion that no material uncertainty exists as on the date of the audit report that Company is 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.



V K A N & Associates

Chartered Accountants

- (xx) According to the information and explanations given to us, The Company does not fulfill the criteria as specified under section 135(1) of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and according, reporting under clause (xx) of the Order is not applicable to the Company.
- (xxi) The reporting under clause (xxi) is not applicable in respect of audit of Financial Statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For V K A N & Associates

Chartered Accountants

ICAI Firm Registration No 014226S



Vishwas Deshmukh

Partner

Membership No. 230806



Place: Bengaluru

Date: May 18, 2026

Coretec Engineering India Private Limited
Balance Sheet as at March 31, 2026
CIN - U29246KA1998PTC023863

(All amounts are in Rupees in Lakhs except for share data or other wise stated)

Particulars	Note No.	As at March 31, 2026	As at March 31, 2025
ASSETS			
Non-current assets			
Property, plant and equipment	3a	3,138.02	2,869.98
Capital work in progress	3b	30.76	78.55
Intangible assets	3c	29.08	36.54
Right of Use Assets	3d	738.39	805.13
Financial assets			
(i) Other financial assets	4	34.44	47.57
Income tax assets	4a	8.69	5.65
Other non-current assets	4b	23.42	26.56
Deferred tax assets (net)	13	17.12	54.90
Total non-current assets		4,019.92	3,924.88
Current assets			
Inventories	5	1,410.75	1,295.89
Financial assets			
(i) Trade receivables	6	102.30	214.98
(ii) Cash and cash equivalents	7	7.11	13.31
(iii) Other Financial assets	4	1.90	-
Other current assets	8	113.31	215.09
Total current assets		1,635.37	1,739.27
TOTAL ASSETS		5,655.29	5,664.15
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	10a	361.96	361.96
Other equity	10b	(389.44)	(198.50)
TOTAL EQUITY		(27.48)	163.46
LIABILITIES			
Non-current liabilities			
Financial liabilities			
(i) Lease Liability	3d	771.60	802.32
Provisions	12	67.13	59.55
Total non-current liabilities		838.73	861.87
Current liabilities			
Financial liabilities			
(i) Borrowings	11	511.40	476.11
(ii) Lease Liability	3d	49.42	35.52
(iii) Trade payables	14		
(A) total outstanding dues of micro enterprises and small enterprises; and		164.69	172.35
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		1,112.73	1,359.74
(iv) Other financial liabilities	15	93.75	43.33
Provisions	12	29.78	26.14
Other current liabilities	16	2,882.27	2,525.63
Total current liabilities		4,844.04	4,638.82
TOTAL LIABILITIES		5,682.77	5,500.69
TOTAL EQUITY AND LIABILITIES		5,655.29	5,664.15

The accompanying notes referred to above form an integral part of the IND AS financial statements.

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In terms of our report of even date attached
for V K A N & Associates
Chartered Accountants
ICAI Firm Regn. No: 014226S

Vishwas Deshmukh

Vishwas Deshmukh
Partner
Membership No: 230806
Place: Bengaluru
Date: May 18, 2026



for and on behalf of the Board of directors of
Coretec Engineering India Private Limited
CIN - U29246KA1998PTC023863

K.G. Ravi

K.G. Ravi
Director
DIN: 03520396
Place: Bengaluru
Date: May 18, 2026

V Venkatakrishnan

V Venkatakrishnan
Director
DIN: 08219180
Place: Bengaluru
Date: May 18, 2026



Coretec Engineering India Private Limited

Statement of Profit and Loss and Other comprehensive income for the Year ended 31st March 2026

CIN - U29246KA1998PTC023863

(All amounts are in Rupees in Lakhs except for share data or other wise stated)

Particulars	Note No.	For the year ended March 31, 2026	For the year ended March 31, 2025
Income			
Revenue from operations	17	5,908.66	4,886.03
Other income	18	34.57	13.14
Total income		5,943.23	4,899.17
Expenses			
Cost of materials consumed	19	3,696.76	2,961.73
Changes in stock of finished goods, work-in-progress and stock-in-trade	20	(65.70)	(181.15)
Employee benefit expense	21	494.71	416.02
Finance costs	22	217.05	132.24
Depreciation and amortisation expense	23	310.29	213.06
Other expenses	24	1,447.05	1,339.23
Total expenses		6,110.16	4,881.13
Profit/(Loss) before tax		(156.93)	18.04
Tax expense/(benefit):			
Current tax		-	-
Deferred tax	25	37.79	29.86
Loss after tax		(194.72)	(11.82)
Other comprehensive income			
(i) Items that will not be reclassified to profit or loss			
(a) Remeasurements of the defined benefit liabilities / (asset)	31	5.23	(3.50)
(ii) Income tax relating to items that will not be reclassified to profit or loss		(1.45)	0.97
Total other comprehensive income/ (loss), net of tax		3.78	(2.53)
Total comprehensive loss for the year		(190.94)	(14.35)
Earnings per equity share:			
Basic and diluted (in Rs.)	32	(5.38)	(0.33)

The accompanying notes referred to above form an integral part of the IND AS financial statements.

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In terms of our report of even date attached
for **V K A N & Associates**
Chartered Accountants
ICAI Firm Regn. No: 0142265

Vishwas Deshmukh
Partner
Membership No: 230806
Place : Bengaluru
Date : May 18, 2026



for and on behalf of the Board of directors of
Coretec Engineering India Private Limited
CIN - U29246KA1998PTC023863

K. S. Ravi
Director
DIN: 03520396
Place: Bengaluru
Date : May 18, 2026

A Venkatakrishnan
Director
DIN: 08219189
Place: Bengaluru
Date : May 18, 2026



Coretec Engineering India Private Limited

Cash Flow Statement for the year ended March 31, 2026

CIN - U29246KA1998PTC023863

(All amounts are in Rupees in Lakhs except for share data or other wise stated)

Particulars	For the year ended March 31, 2026		For the year ended March 31, 2025	
A. Cash flow from operating activities				
Net profit / (loss) before tax		(156.93)		18.04
Adjustments for:				
Depreciation and amortization	310.29		213.06	
Finance costs	217.05		132.24	
Profit on sale of assets	(1.73)		(7.10)	
Bad debts written off	0.26		-	
Income on financial assets at amortized cost	(2.13)		(1.05)	
Liabilities/Provision write back	(0.38)		(3.05)	
Rent expense on Leased asset	3.14		-	
Provision for Inventory	25.16		-	
		551.66		334.10
Operating profit / (loss) before working capital changes-(1)		394.73		352.14
Changes in working capital:				
Adjustments for (increase) / decrease in operating assets:-(2)				
Inventories	(140.02)		(243.38)	
Trade receivables	112.42		813.67	
Other current assets	98.64		(50.89)	
Other financial assets	13.36		(24.27)	
Other non current assets	3.14		(26.56)	
		87.54		
Adjustments for (increase) / decrease in operating liabilities:-(3)				
Trade payables	(254.67)		415.18	
Other current liabilities	356.64		(251.12)	
Provisions(short term and long term)	15.00		9.73	
Other financial liabilities	50.42		34.98	
		167.39		677.34
Cash generated from operations-(1)+(2)+(3)		649.66		1,029.48
Net income tax (paid) / refunds		(3.04)		11.20
Net cash flow from / (used in) operating activities (A)		646.62		1,040.68
B. Cash flow from investing activities				
Capital expenditure on fixed assets, including capital advances	(442.86)		(965.71)	
Proceeds from Sale of fixed assets	9.64		10.21	
		(433.22)		(955.50)
Net cash flow from / (used in) investing activities (B)		(433.22)		(955.50)
C. Cash flow from financing activities				
Proceeds from Borrowings	35.29		99.98	
Lease Liability paid	(111.74)		(57.46)	
Repayment of Borrowings	-		(37.50)	
Interest Payment Made	(143.14)		(88.18)	
		(219.59)		(83.16)
Net cash flow from / (used in) financing activities (C)		(219.59)		(83.16)
Net increase / (decrease) in cash and cash equivalents (A+B+C)		(6.19)		2.02
Cash and cash equivalents at the beginning of the year		13.31		11.29
Cash and cash equivalents at the end of the year(Refer Note No. 7)		7.11		13.31

The accompanying notes referred to above form an integral part of the IND AS financial statements.

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In terms of our report of even date attached

for V K A N & Associates

Chartered Accountants

ICAI Firm Regn. No: 014226S

Vishwas

Vishwas Deshmukh
Partner

Membership No: 230806

Place : Bengaluru

Date : May 18, 2026



for and on behalf of the Board of directors of

Coretec Engineering India Private Limited

CIN - U29246KA1998PTC023863

K.G. Ravi

K.G. Ravi
Director

DIN: 03520396

Place: Bengaluru

Date : May 18, 2026

A Venkatakrishnan

A Venkatakrishnan
Director

DIN: 06219189

Place: Bengaluru

Date : May 18, 2026



Coretec Engineering India Private Limited

Statement of Changes in Equity for the Year ended March 31, 2026

CIN - U29246KA1998PTC023863

(All amounts are in Rupees in Lakhs except for share data or other wise stated)

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number of shares	Amount	Number of shares	Amount
(a) Authorised Equity shares of Rs.10 /- each (Previous year : Rs. 10/- each) with voting rights	50,00,000	500.00	50,00,000.00	500.00
(b) Issued, subscribed and fully paid up Equity shares of Rs.10 /- each (Previous year : Rs. 10/- each) with voting rights	36,19,600	361.96	36,19,600.00	361.96
Total	36,19,600	361.96	36,19,600.00	361.96

Particulars	Reserve and surplus	Other comprehensive income
	Amount	
Balance as at April 01, 2024	(190.84)	6.69
<u>Additions during the year</u>		
Profit during the year	(11.82)	-
<u>Items of the OCI, net of tax-</u>		
Re-measurement of net defined benefit liability/(asset)	-	(2.53)
Total	(11.82)	(2.53)
Balance as at March 31, 2025	(202.66)	4.16
Balance as at April 01, 2025	(202.66)	4.16
<u>Additions during the year</u>		
Profit during the year	(194.72)	-
<u>Items of the OCI, net of tax-</u>		
Re-measurement of net defined benefit liability/(asset)	-	3.78
Total	(194.72)	3.78
Balance as at March 31, 2026	(397.38)	7.94

The accompanying notes referred to above form an integral part of the IND AS financial statements.

1-41

In terms of our report of even date attached
for **V K A N & Associates**
Chartered Accountants
ICAI Firm Regn. No: 014226S

Vishwas Deshmukh
Partner
Membership No: 230806
Place : Bengaluru
Date : May 18, 2026



for and on behalf of the Board of directors of
Coretec Engineering India Private Limited
CIN - U29246KA1998PTC023863

K.G. Ravi
Director
DIN: 03520396
Place: Bengaluru
Date : May 18, 2026

A Venkatakrishnan
Director
DIN: 08219189
Place: Bengaluru
Date : May 18, 2026



1. Corporate information:

The Company is engaged in the business of manufacture of hydraulic components and sub-assemblies for use in hydraulic applications. The company is a 100% subsidiary of Yuken India Limited, hydraulics major and a listed Company. The company carries on its manufacturing operations from Mahadevapura industrial area, Whitefield, Bangalore and Malur, Kolar(dt).

2. Material accounting policies:

2.1 Basis of preparation

These standalone financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. The material accounting policy information used in preparation of the audited financial statements have been discussed in the respective notes.

The Company had incurred a loss of Rs. 194.72 lakhs during the financial year and has a negative networth Rs. 27.48 lakhs. The Company's current liabilities exceed current assets as at such date. In assessing the appropriateness of the going concern assumption, management has evaluated the Company's financial position, performance, cash flow projections, and available credit facilities for a period of at least twelve months from the date of approval of these financial statements. The Company has taken various measures including cost optimization, focused growth plan and utilization of resources. The Company continues to have the support of its parent company, and there are no known events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. Accordingly, management has concluded that the going concern assumption remains appropriate, and these financial statements have been prepared on that basis.

2.2 Summary of the other Material accounting policies

a) Use of estimates and judgements

The preparation of financial statements in conformity with Ind AS requires management to make certain estimates, judgements and assumptions that affect the application of accounting policies and amounts reported in the financial statements and notes thereto. Changes in estimates and judgements are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

b) Property, plant and equipment

Under previous GAAP (Indian GAAP), Property Plant & Equipment were stated at their original cost, net of Cenvat Credit where applicable (including expenses related to acquisition and installation) except certain Fixed Assets which are adjusted for revaluation. The company has elected to regard those values of property plant & equipment as deemed cost as on 01-04-2017.

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by the Management. The charge in respect of periodic depreciation is derived at after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life.

Cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the company capitalises them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.



Depreciation is calculated on a straight line basis over the remaining useful lives of the assets as assessed by management of the Company. The management estimates the useful lives as follows:

Assets Description	Useful Life (Years)
General plant and machinery	15
Vehicles	10
Computers and data processing equipment	3
Electrical Installation	10
Factory Building	30
Furniture & Fixtures	10
Office Equipments *	10

* For these class of assets, based on internal assessment, the management believes that the useful lives as given above best represent the period over which management expects to use these assets. Hence the useful lives for these assets are different from the useful lives as prescribed under Part-C of Schedule II of the Companies Act, 2013.

On fixed assets added/dropped of during the year, depreciation is charged on pro-rata basis with reference to the date of addition/disposal.

c) Leases

At inception of contract, the Company assesses whether the Contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. At inception or on reassessment of a contract that contains a lease component, the Company allocates consideration in the contract to each lease component on the basis of their relative stand alone price.

As a lessee :

i) Right-of-use Assets

The Company recognises right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, lease payments made at or before the commencement date less any lease incentives received and estimate of costs to dismantle. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Contracts which are covered under the ambit of Ind AS 116 typically have a tenure between 3 to 5 years based on assessment of the lease terms as required by the standard.

ii) Lease Liability

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. In calculating the present value of lease payments, the Company generally uses its incremental borrowing rate at the lease commencement date if the discount rate implicit in the lease is not readily determinable.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. The carrying amount is remeasured when there is a change in future lease payments arising from a change in index or rate. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

The Company presents lease liabilities in 'Non Current Liabilities and Current Liabilities' in the Balance Sheet.

iii) Short term leases and leases of low value of assets

The Company applies the short-term lease recognition exemption to its short-term leases. It also applies the lease of low-value assets recognition exemption that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

The Company has lease contracts for building used in its operations. Leases of building generally have lease terms between 5 to 10 years. The Company is restricted from assigning and subleasing the leased assets.



d) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. 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.

e) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

f) 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 Company has adopted Ind AS 115 using the cumulative effect method. There is no impact of the adoption of the standard on the financial statements of the Company.

Revenues from customer contracts are considered for recognition and measurement when the contract has been approved, in writing, by the parties to the contract, the parties to contract are committed to perform their respective obligations under the contract, and the contract is legally enforceable. The Company assesses the services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligations to determine the deliverables and the ability of the customer to benefit independently from such deliverables, and allocation of transaction price to these distinct performance obligations involves significant judgement.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment, including excise duty and excluding GST and other taxes or duties collected on behalf of the government. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

Sale of goods & rendering of services

Revenue is recognised when a performance obligation in a customer contract has been satisfied by transferring control over the promised goods to the customer. Control over a promised good refers to the ability to direct the use of, and obtain substantially all of the remaining benefits from, those goods. Control is usually transferred upon shipment, delivery to, upon receipt of goods by the customer, in accordance with the individual delivery and acceptance terms agreed with the customers. The amount of revenue to be recognised (transaction price) is based on the consideration expected to be received in exchange for goods, excluding amounts collected on behalf of third parties such as goods and services tax or other taxes directly linked to sales.

Revenue from rendering of services is recognised over time as and when the customer receives the benefit of the Company's performance and the Company has an enforceable right to payment for services transferred.

Other operating revenues comprise of scrap sales incidental to operations of the company and are recognised when the right to receive the income is established as per the terms of the contract.

Interest income

Income is recognized on time proportion basis taking into account the outstanding amount and the applicable rate of interest. Interest income is included in finance income in the statement of profit and loss.

Dividend income

Revenue is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.



g) Inventories

Inventories are valued at the lower of cost and net realisable value. Costs incurred in bringing each product to its present location and condition are accounted for as follows:

Raw materials: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a First-In-First-Out (FIFO) method.

Work-in-progress, finished goods and stock-in-trade are valued at lower of cost or net realisable value. Finished goods and work-in-progress include costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

h) Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Company's of assets.

i) Taxes

Current income tax

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

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

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are 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
- ▶ In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

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
- ▶ In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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 relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.



j) Provisions and contingencies

The Company creates a provision when there is present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent assets are neither recognised nor disclosed in the standalone financial statements.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

k) Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The company has no obligation, other than the contribution payable to the provident fund. The group recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

The Gratuity liability is provided based on actuarial valuation arrived on the basis of projected unit credit method are determined at the end of each year.

Liabilities towards Leave Encashment Benefit are provided for based on actuarial valuation done at the year end.

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 OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

l) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

m) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. An earnings considered in ascertaining the Company's earnings per share is the net profit for the period attributable to equity shareholders. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

n) Foreign currency transactions and translations

(i) Functional & presentation currency

The financial statements are presented in Indian Rupee (INR), which is the company's functional & presentation currency.

(ii) Transactions & balances

Foreign currency transactions are translated into the functional currency using the exchange rate at the date of transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

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



o) Financial instruments

A) Initial recognition and measurement

All financial assets and liabilities are initially recognized at fair value on initial recognition except for trade receivables measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

B) Subsequent measurement

a) Financial assets carried at amortised cost (AMC)

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset 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.

b) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets 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.

c) Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are measured at FVTPL.

C) Other equity investments

All other equity investments are measured at fair value, with value changes recognised in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the value changes in 'Other Comprehensive Income'.

D) Impairment of financial assets

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL). Expected credit losses are measured through a loss allowance at an amount equal to:

>The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

>Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

For trade receivables Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Company uses 12 month ECL to provide for impairment loss and where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

(ii) Financial liabilities

A. Initial recognition and measurement

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

B. Subsequent measurement

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

(iii) Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

q) Fair value hierarchy:

All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly (i.e., prices) or indirectly observable (i.e., derived from prices).

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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3. Property plant & equipment

3a. Tangible Assets

DESCRIPTION	GROSS BLOCK				DEPRECIATION / IMPAIRMENT				NET BLOCK	
	As at April 01, 2025	Additions	Deductions / Adjustments	As at March 31, 2026	As at April 01, 2025	Depreciation for the year	Deductions / Adjustments	As at March 31, 2026	As at March 31, 2026	As at 31 March 2025
Tangible assets (A)										
Freehold land	319.36	-	-	319.36	-	-	-	-	319.26	319.36
Factory buildings	1,298.71	64.34	-	1,363.05	110.63	42.48	-	153.11	1,209.93	1,188.08
	(319.36)	-	-	(319.36)	(80.69)	(29.94)	-	(319.36)	(319.36)	(319.36)
	(536.35)	(762.36)	-	(1,298.71)	(29.94)	(42.48)	-	(119.63)	(1,388.60)	(155.66)
	194.04	-	-	194.04	1.05	20.92	-	21.97	172.07	192.99
	(194.04)	-	-	(194.04)	(1.05)	(20.92)	-	(192.99)	-	-
Leasehold improvements	35.25	0.14	-	35.39	28.28	3.10	-	31.38	4.00	6.97
	(34.86)	(0.39)	-	(35.25)	(25.05)	(3.23)	-	(28.28)	(6.97)	(9.81)
Computer systems	65.51	20.65	-	86.16	24.22	9.57	-	33.79	52.37	41.29
	(34.82)	(30.69)	-	(65.51)	(20.41)	(3.81)	-	(24.22)	(41.29)	(14.41)
Furniture & fixtures	113.80	16.31	-	130.11	20.10	10.61	-	30.71	93.40	93.70
	(54.15)	(59.65)	-	(113.80)	(14.09)	(6.01)	-	(20.10)	(93.70)	(99.07)
Plant & machinery	1,536.89	370.79	1.27	1,906.41	621.46	111.40	0.88	731.98	1,174.44	915.44
	(1,495.37)	(50.26)	(8.74)	(1,536.89)	(526.15)	(160.94)	(5.63)	(621.46)	(915.44)	(969.22)
Electrical installation	155.99	18.82	15.76	159.06	44.24	16.80	8.23	52.81	106.25	111.75
	(58.16)	(67.83)	-	(155.99)	(35.13)	(9.11)	-	(44.24)	(111.75)	(53.03)
Vehicles	5.39	-	-	5.39	4.99	0.20	-	5.19	0.20	0.40
	(5.39)	-	-	(5.39)	(4.73)	(0.26)	-	(4.99)	(0.40)	(0.66)
Total (A)	3,724.94	491.04	17.02	4,198.96	854.97	215.08	9.11	1,060.93	3,138.02	2,869.98
	(2,568.46)	(1,165.22)	(8.74)	(3,724.94)	(706.25)	(154.35)	(5.63)	(854.97)	(2,469.98)	(1,862.22)

(numbers presented in brackets represents previous year)

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Coretec Engineering India Private Limited

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Summary of material accounting policies and other explanatory information for the Year ended March 31, 2026 (cont'd)

(All amounts are in Rupees in Lakhs except for share data or other wise stated)

3b. Capital Work-in-Progress

DESCRIPTION	CWIP			CLOSING BALANCE	
	As at April 01, 2025	Additions to CWIP	Capitalised	As at March 31, 2026	As at March 31, 2025
Capital work in progress	78.55 (294.25)	443.25 (543.55)	491.04 (759.25)	30.76 (78.55)	78.55 (294.25)
Total	78.55	443.25	491.04	30.76	78.55

3c. Intangible Assets

DESCRIPTION	GROSS BLOCK				DEPRECIATION / IMPAIRMENT				NET BLOCK	
	As at April 01, 2025	Additions	Deductions / Adjustments	As at March 31, 2026	As at April 01, 2025	Depreciation for the year	Deductions / Adjustments	As at March 31, 2026	As at March 31, 2026	As at March 31, 2025
Intangible assets (B)										
Software	86.96 (70.77)	- (16.19)	- -	86.96 (86.96)	50.42 (37.82)	7.46 (12.60)	- -	57.88 (50.42)	29.08 (36.54)	36.54 (32.95)
Total (B)	86.96 (70.77)	- (16.19)	- -	86.96 (86.96)	50.42 (37.82)	7.46 (12.60)	- -	57.88 (50.42)	29.08 (36.54)	36.54 (32.95)
Total (A) +(B)	3,811.90	491.04	17.02	4,285.92	905.39	222.54	9.11	1,118.81	3,167.10	2,906.52
PV Numbers	(2,639.23)	(1,181.41)	(8.74)	(3,811.90)	(744.07)	(166.95)	(5.63)	(905.39)	(2,906.52)	(1,895.17)

(numbers presented in brackets represents previous year)

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Summary of material accounting policies and other explanatory information for the Year ended March 31, 2026 (cont'd)

(All amounts are in Rupees in Lakhs except for share data or other wise stated)

Capital work-in-progress as at March 31, 2026

(a) Ageing of CWIP:

DESCRIPTION	Amounts in Capital work-in-progress for				Total
	Less than one year	1 to 2 Years	2 to 3 Years	More than 3 Years	
(i) Projects in process	30.76	-	-	-	30.76
(ii) Projects temporarily suspended	-	-	-	-	-
Total	30.76	-	-	-	30.76

(b) Completion schedule for capital work-in-progress whose completion is overdue or has exceeded its cost compared to its original plan:

DESCRIPTION	To be Completed in				Total
	Less than one year	1 to 2 Years	2 to 3 Years	More than 3 Years	
(i) Projects in process	30.76	-	-	-	30.76
(ii) Projects temporarily suspended	-	-	-	-	-
Total	30.76	-	-	-	30.76

Capital work-in-progress as at March 31, 2025

(a) Ageing of CWIP:

DESCRIPTION	Amounts in Capital work-in-progress for				Total
	Less than one year	1 to 2 Years	2 to 3 Years	More than 3 Years	
(i) Projects in process	78.55	-	-	-	78.55
(ii) Projects temporarily suspended	-	-	-	-	-
Total	78.55	-	-	-	78.55

(b) Completion schedule for capital work-in-progress whose completion is overdue or has exceeded its cost compared to its original plan:

DESCRIPTION	To be Completed in				Total
	Less than one year	1 to 2 Years	2 to 3 Years	More than 3 Years	
(i) Projects in process	78.55	-	-	-	78.55
(ii) Projects temporarily suspended	-	-	-	-	-
Total	78.55	-	-	-	78.55



4. Other financial assets

Particulars	As at March 31, 2026	As at 31 March 2025
Non Current		
Security deposits	34.44	45.76
Deposit with Banks	-	1.81
Total	34.44	47.57
Current		
Deposit with Banks	1.90	-
Total	1.90	-

4a. Income tax assets - non current

Particulars	As at March 31, 2026	As at 31 March 2025
Advance tax (Net of Provision of tax : Nil (March 31, 2025 : Nil))	8.69	5.65
Total	8.69	5.65

4b Other Non Current Assets

Particulars	As at March 31, 2026	As at 31 March 2025
Prepaid Lease	23.42	26.56
Total	23.42	26.56

5. Inventories

Particulars	As at March 31, 2026	As at 31 March 2025
Raw materials and components	826.76	779.56
Work-in-progress*	343.99	329.15
Finished goods*	235.69	184.83
Material in-Transit	4.32	2.35
Total	1,410.75	1,295.89

* Finished goods and Work-in-progress value is net of total provision for inventory of Rs. 25.16 lakhs

6. Trade receivables

Particulars	As at March 31, 2026	As at 31 March 2025
Current		
Trade receivables		
(a) Unsecured, considered good	102.30	214.98
(b) Unsecured, considered doubtful	-	-
Total	102.30	214.98

Aging of receivables as at March 31, 2026

Particulars	Outstanding for following periods from the due date					Total
	Less than 6 months	6 months to 1 year	1 year to 2 year	2 years to 3 years	More than 3 years	
Undisputed Trade receivables considered good	31.27	0.98	-	70.05	-	102.30
which have significant increase in credit risk	-	-	-	-	-	-
credit impaired	-	-	-	-	-	-
Disputed Trade receivables considered good	-	-	-	-	-	-
which have significant increase in credit risk	-	-	-	-	-	-
credit impaired	-	-	-	-	-	-
Total	31.27	0.98	-	70.05	-	102.30



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Summary of material accounting policies and other explanatory information for the Year ended March 31, 2026 (cont'd)

(All amounts are in Rupees in Lakhs except for share data or other wise stated)

Aging of receivables as at March 31, 2025

Particulars	Outstanding for following periods from the due date					Total
	Less than 6 months	6 months to 1 year	1 year to 2 year	2 years to 3 years	More than 3 years	
Undisputed Trade receivables considered good	22.15	4.48	188.35	-	-	214.98
which have significant increase in credit risk	-	-	-	-	-	-
credit impaired	-	-	-	-	-	-
Disputed Trade receivables considered good	-	-	-	-	-	-
which have significant increase in credit risk	-	-	-	-	-	-
credit impaired	-	-	-	-	-	-
Total	22.15	4.48	188.35	-	-	214.98

7. Cash and cash equivalents

Particulars	As at March 31, 2026	As at 31 March 2025
Cash on hand	0.48	0.30
Balances with banks		
(i) In current accounts	6.63	12.92
Cash and cash equivalents as per statement of cash flows	7.11	13.31

8. Other current assets

Particulars	As at March 31, 2026	As at 31 March 2025
Trade and other advances	63.62	172.20
Prepaid Lease	3.14	3.14
Prepaid expenses	38.28	28.16
Balance with government authorities (including GST)	8.27	11.59
Total	113.31	215.09

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Summary of material accounting policies and other explanatory information for the year ended March 31, 2026 (cont'd)

(All amounts are in Rupees in Lakhs except for share data or other wise stated)

3d. Right of use assets

Particulars	As at March 31, 2026	As at March 31, 2025
Buildings		
As at April 01, 2025		
Opening	805.13	-
Additions	21.00	851.24
Amortization expense	(87.75)	(46.11)
Closing Balance as at March 31, 2026	738.39	805.13

Lease Liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Buildings		
As at April 01, 2025		
Opening	837.84	
Additions	21.00	851.24
Interest expense on lease liabilities	73.91	44.06
Payments during the year	(111.74)	(57.46)
Closing Balance as at March 31, 2026	821.02	837.84

Classified as:

Non-current	771.60	802.32
Current	49.42	35.52
Total	821.02	837.84

Amounts recognised in Profit & Loss

Interest income on Security Deposit	2.13	1.05
Interest expense on Lease Liabilities	73.91	44.06
Amortization of right-of-use assets	87.75	46.11

NOTES:

1. Discounting rate used for the purpose of computing right to use asset is 9.00% (March 31, 2025: 9.00%)
2. The Company did not enter into lease contracts that contain variable lease options.
3. The total cash outflow for the lease for the year ended March 31, 2026 was Rs. 111.74 lakhs (March 31, 2025: 57.46 lakhs)



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(All amounts are in Rupees in Lakhs except for share data or other wise stated)

10. Equity**10a. Share capital**

Particulars	As at March 31, 2026		As at 31 March 2025	
	Number of shares	Amount	Number of shares	Amount
(a) Authorised Equity shares of Rs.10 /- each (Previous year : Rs. 10/- each) with voting rights	50,00,000	500.00	50,00,000.00	500.00
(b) Issued, subscribed and fully paid up Equity shares of Rs.10 /- each (Previous year : Rs. 10/- each) with voting rights	36,19,600	361.96	36,19,600.00	361.96
	36,19,600	361.96	36,19,600.00	361.96

Refer notes (i) to (iv) below

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period

Particulars	As at March 31, 2026		As at 31 March 2025	
	Number of shares	Amount	Number of shares	Amount
Equity shares with voting rights				
Balance ast at beginning of the year	36,19,600	361.96	36,19,600.00	361.96
Add: Issued and subscribed during the year	-	-	-	-
Balance as at end of the year	36,19,600	361.96	36,19,600.00	361.96

(ii) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at March 31, 2026		As at 31 March 2025	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
- Yuken India Ltd	36,19,200	99.99	36,19,200	99.99
- K Gopalkrishna	400	0.01	400	0.01

(iii) Right, preferences and restrictions attached to shares

The Company has issued only one class of equity share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian rupees. The dividend proposed by Board of Directors is subject to approval by the share holders at the ensuing Annual General Meeting.

(iv) Shareholding of Promoter

Class of shares / Name of shareholder	As at March 31, 2026		As at 31 March 2025	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
- Yuken India Ltd	36,19,200	99.99	36,19,200	99.99
- K Gopalkrishna	400	0.01	400	0.01

10b. Other equity

Particulars	As at March 31, 2026	As at March 31, 2025
Surplus in statement of profit and loss		
Profit and Loss:		
Opening balance	(202.66)	(190.84)
Additions during the period	(194.72)	(11.82)
Closing Balance	(397.38)	(202.66)
Other Comprehensive Income:		
Opening balance	4.16	6.69
Additions during the period	3.78	(2.53)
Closing Balance	7.94	4.16
Total	(389.44)	(198.50)



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Summary of material accounting policies and other explanatory information for the Year ended March 31, 2026 (cont'd)

(All amounts are in Rupees in Lakhs except for share data or other wise stated)

Financial liabilities

11. Borrowings

Current borrowings

Particulars	As at March 31, 2026	As at March 31, 2025
Secured - at amortised cost		
(i) Loans from banks	511.40	476.11
Total	511.40	476.11
Notes:		
i) Primary security - First charge on inventory, book debts and movable fixed assets of the company		
ii) Secondary security		
-a) Corporate guarantee by Yuken India Limited		
-b) First charge on Industrial Land with shed there on bearing no B59, situated at Industrial Estate, Dyavasandra, Mahadevapura, Bangalore-560048		
iii) Interest : 7.00% to 9.00%		

12. Provisions

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current		
Gratuity	67.13	59.55
	67.13	59.55
Current		
Compensated absences	29.78	26.14
	29.78	26.14
Total	96.91	85.69

13. Deferred tax balances

Particulars	As at March 31, 2026	As at March 31, 2025
Deferred tax liabilities	212.77	182.12
On difference between book balance and tax balance of fixed assets	212.77	182.12
Deferred tax assets	229.89	237.02
Provision for compensated absences, gratuity, other employee benefits and provision for doubtful debts / advances	96.82	68.59
Unabsorbed depreciation carried forward / brought forward business losses	133.07	168.43
Net deferred tax liabilities/ (assets)	(17.12)	(54.90)

14. Trade payables

Particulars	As at March 31, 2026	As at March 31, 2025
(a) Total Outstanding dues of Micro Enterprises and Small Enterprises	164.69	172.35
(b) Total Outstanding dues other than Micro Enterprises and Small	1,086.46	1,204.56
(c) Trade payables to related parties (see note 34)	26.27	155.18
Total	1,277.42	1,532.09



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Coretec Engineering India Private Limited

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Summary of material accounting policies and other explanatory information for the Year ended March 31, 2026 (cont'd)

(All amounts are in Rupees in Lakhs except for share data or other wise stated)

Ageing of Trade Payables for year ended March 31, 2026

Particulars	Not Due	Outstanding for following periods from the due date				Total
		Less than 1 Year	1-2 Years	2-3 Years	More than 3 years	
Undisputed trade payables						
(i) MSME	78.16	86.53	-	-	-	164.69
(ii) Others	721.64	267.45	123.64	-	-	1,112.73
Disputed trade payables						
(i) MSME	-	-	-	-	-	-
(ii) Others	-	-	-	-	-	-
Total	799.80	353.98	123.64	-	-	1,277.42

Ageing of Trade Payables for year ended March 31, 2025

Particulars	Not Due	Outstanding for following periods from the due date				Total
		Less than 1 Year	1-2 Years	2-3 Years	More than 3 years	
Undisputed trade payables						
(i) MSME	91.78	80.56	-	-	-	172.35
(ii) Others	633.44	685.92	40.37	-	-	1,359.74
Disputed trade payables						
(i) MSME	-	-	-	-	-	-
(ii) Others	-	-	-	-	-	-
Total	725.22	766.48	40.37	-	-	1,532.09

15. Other financial liabilities

Particulars	As at March 31, 2026	As at 31 March 2025
Interest accrued but not due on borrowings	1.59	1.85
Employee Benefits payables	41.41	34.57
Deposits from related party	28.50	-
Rent Payable to related party	22.25	6.91
Total	93.75	43.33

16. Other current liabilities

Particulars	As at March 31, 2026	As at 31 March 2025
Statutory liabilities (includes GST, ESI, TDS, profession tax & provident fund)	15.38	35.04
Advance from customers	2,866.89	2,490.59
Total	2,882.27	2,525.63

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Coretec Engineering India Private Limited

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Summary of material accounting policies and other explanatory information for the Year ended March 31, 2026 (cont'd)

(All amounts are in Rupees in Lakhs except for share data or other wise stated)

17. Revenue from operations

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
(a) Revenue from sale of products	5,826.86	4,826.71
(b) Revenue from sale of services	41.16	35.43
Other Operational Revenue		
Scrap sale	40.64	23.89
Total revenue from operations	5,908.66	4,886.03

The company has no unsatisfied performance obligation resulting from sale of products and services. No adjustment made to the contract price on account of refunds, credits, price concession, incentive or performance bonus.

18. Other income

Other non-operating income (net of expenses directly attributable to such income)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
a) Profit on sale of Assets	1.73	7.13
b) Income on financial assets at amortised cost	2.13	1.05
c) Liabilities/Provisions write back	0.38	3.05
d) Interest Income		
- On deposits	0.71	0.70
- On income tax refund	-	0.22
e) Miscellaneous income	4.42	0.99
f) Rental Income	25.20	-
Total of other income	34.57	13.14

19. Cost of materials consumed

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Opening stock	779.56	719.46
Add: Purchases	3,769.11	3,021.83
	4,548.68	3,741.29
Less: Closing stock	851.91	779.56
Cost of materials consumed	3,696.76	2,961.73

20. Changes in inventories of finished goods, work in progress and stock-in-trade

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Inventories at the end of the year:		
Finished goods	235.69	184.83
Work-in-progress	343.99	329.15
	579.68	513.98
Inventories at the beginning of the year:		
Finished goods	184.83	94.82
Work-in-progress	329.15	238.01
	513.98	332.83
Net (increase) / decrease	(65.70)	(181.15)

21. Employee benefit expense

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Salaries and wages	406.28	338.16
Contribution to provident and other funds (see note 30)	31.55	25.89
Gratuity	19.63	10.12
Staff welfare expenses	37.23	41.85
Total	494.71	416.02



(All amounts are in Rupees in Lakhs except for share data or other wise stated)

22. Finance costs

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest costs :-		
(i) Interest on bank overdrafts and loans (other than those from related parties)	130.78	78.17
(ii) Other Borrowing costs	12.36	10.01
(iii) Interest on lease liability	73.91	44.06
Total	217.05	132.24

23. Depreciation and amortization expense

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Depreciation of property, plant and equipment pertaining to continuing operations (refer note 3a)	215.08	154.35
Depreciation of leased assets (refer note 3d)	87.75	46.11
Amortisation of intangible assets (refer note 3e)	7.46	12.60
Total depreciation and amortisation expense	310.29	213.06

24. Other Expenses

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Sub-contracting charges	530.02	543.25
Contract Labour charges	368.21	340.65
Freight charges	86.37	76.55
Power and fuel	101.12	88.64
Rates and taxes	6.36	22.40
Rent	39.66	25.03
Insurance	26.96	19.01
Repairs and maintenance		
- Building	11.93	5.44
- Machinery	71.65	55.46
- Vehicle	3.84	2.58
- Others	15.35	11.59
Legal and professional charges	74.69	74.47
Payment to auditors	4.18	4.15
Travelling & conveyance expenses	22.13	12.92
Bad debts written off	0.26	-
Provision for Inventory	25.16	-
Telephone Charges	-	0.10
Communication expenses	5.28	4.77
Printing & stationary	3.87	3.48
Testing charges	0.29	-
Security charges	25.56	29.57
Miscellaneous expenses	24.16	19.17
Total	1,447.05	1,339.23

25. Income Tax Expense/(Benefit)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Deferred Tax		
In respect of the current year	37.79	29.86
Total income tax expense/(benefit) recognised in the current year.	37.79	29.86

26. Payment to Auditors

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Statutory audit	2.45	2.45
Tax audit	0.50	0.50
Others	1.23	1.20
Total	4.18	4.15



27. Expenditures in foreign currency

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
27.1 Expenditure in foreign currency:		
Raw materials & Components	25.40	7.72
Fixed Assets	-	-
27.2. Estimated amount of contracts remaining to be executed on capital account and not provided for	-	-

28. Contingent liabilities (to the extent not provided for)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Demand received from tax authorities		
Income tax*	-	9.32

*There is no exiting open demands/e-proceedings on income taxes appearing the e-filing. All the necessary adjustments for the tax balances has been incorporate in books.

29. Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

The management has identified certain enterprises which have provided goods and services to the Company and which qualify under the definition of 'Micro and Small Enterprises' as defined under Micro, Small and Medium Enterprises Development Act, 2006 ("the Act"). Accordingly the disclosure in respect of the amounts payable to such enterprises as at March 31, 2026 and March 31, 2025 have been made in the financial statements based on information available with the Company and relied upon by the auditors.

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	161.20	167.76
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	3.50	4.59
(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	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	3.50	4.59

Dues to micro and small enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

30. Employee benefits expenses

Defined contribution plans

The company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident fund, which is a defined contribution plan. The Company has no obligations other than to make the specified contributions. The contributions are charged to the Statement of Profit and Loss as they accrue. The amount recognised as an expense towards contribution to Provident fund for the year aggregated to Rs. 31.55 lakhs (previous year :Rs. 25.89 lakhs)

Defined benefit plans

Gratuity

The Company offers the following employee benefit schemes to its employees:

(i) Gratuity (included as part of (b) in Note 21 Employee benefits expense)

The following table sets out the funded status of gratuity and the amount recognised in the standalone financial statements:

Particulars	As at 31 March 2026	As at 31 March 2025
Present value of obligations	(67.13)	(59.55)
Net asset / (liability) recognised in the Balance Sheet	(67.13)	(59.55)

Classification into current and non-current

The liability/(asset) in respect of each of the plan comprises of the following current and non-current portions:

Particulars	Non-Current		Current	
	As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025
Gratuity	67.13	59.55	-	-
Total	67.13	59.55	-	-



Movement in present values of defined benefit obligations

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Defined benefit obligation at the beginning of the year	59.55	52.52
Current service cost	6.27	5.37
Interest cost	4.22	3.78
Actuarial (gains) / losses	(5.24)	3.52
Past service cost	9.17	-
Benefits paid	(6.82)	(5.64)
Present value of defined benefit obligation at year end	67.13	59.55

Expense recognised in Statement of profit and loss

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Current service cost	6.27	5.37
Net Interest Cost / (Income) on the Net Defined Benefit Liability / (Asset)	4.22	3.78
Past Service Cost	9.17	-
Total expense recognised in the Statement of Profit and Loss	19.65	9.15

31. Expense/(income) recognised in Other Comprehensive Income

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Re-measurement (or Actuarial) (gain) / loss arising from:		
- change in financial assumptions	(3.83)	1.76
- experience variance (i.e. Actual experience vs assumptions)	(1.40)	1.74
Total expense recognised in Other Comprehensive Income	(5.23)	3.50

Principal actuarial assumptions

The following are the principal actuarial assumptions at the reporting date (expressed as weighted averages) for gratuity plan:

Particulars	Gratuity	
	As at March 31, 2026	As at March 31, 2025
Discount rate	7.60%	6.85%
Attrition rate	2%	2%
Future salary increases	4%	4%
Retirement age	58 years	58 years

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market. Assumptions regarding future mortality are based on published statistics and mortality tables. The calculation of the defined benefit obligation is sensitive to the mortality assumptions.

Sensitivity analysis :

Particulars	As at March 31, 2026		As at March 31, 2025	
	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 1%)	72.65	62.28	64.97	54.79
(% change compared to base due to sensitivity)	8.20%	-7.20%	9.10%	-8.00%
Salary Growth Rate (- / + 1%)	62.08	72.57	54.62	65.07
(% change compared to base due to sensitivity)	-7.50%	8.10%	-8.30%	9.30%
Attrition Rate (- / + 50% of attrition rates)	65.74	68.37	58.44	60.50
(% change compared to base due to sensitivity)	-2.10%	1.90%	-1.80%	1.60%
Mortality Rate (- / + 10% of mortality rates)	67.08	67.18	59.49	59.57
(% change compared to base due to sensitivity)	-0.10%	0.10%	-0.10%	0.10%

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32. Earnings per share

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Basic and diluted		
Net Profit/(loss) for the year from operations attributable to the equity shareholders	(194.72)	(11.82)
Weighted average number of equity shares	36,19,600	36,19,600
Earnings per share from operations - Basic and diluted	(5.38)	(0.33)

33. Segment reporting

The company's predominant risks and returns are from the segment of hydraulic components and sub-assemblies for use in hydraulic applications, which constitutes a single business segment and is governed by similar set of risks and returns. The operations of the Company primarily cater to the market in India, which the management views as a single segment. The management monitors the operating results of its single segment for the purpose of making decisions about resource allocation and performance assessment.

34. Related party disclosures

Related party transactions

Description of relationship	Name of related party
Holding company	Yuken India Limited
Fellow subsidiary	Grotek Enterprises Private Limited
Fellow subsidiary	Yuflow Engineering Private Limited
Fellow subsidiary	Kolben Hydraulics Limited
Company having significant influence	Yuken Kogyo Co Ltd
Key management personnel	S K Naik

Details of transactions	Year ended March 31, 2026	Year ended March 31, 2025
Holding company		
Yuken India Limited		
- Sales of goods and services	5,765.67	5,675.85
- Purchase of fixed asset	-	7.95
- Purchase of goods and services	89.82	231.82
- Sales of asset	1.17	-
- Rental Income	29.74	-
- Rent Expense	42.99	-
- Corporate guarantee commission	7.08	18.64
Fellow subsidiary		
Grotek Enterprises Private Limited		
- Sales of goods	34.08	30.07
- Purchase of goods	49.09	5.21
Kolben Hydraulics Limited		
- Purchase of goods	0.47	-

Amount outstanding (receivables)	As at March 31, 2026	As at March 31, 2025
Fellow subsidiary		
Grotek Enterprises Private Limited		
- Trade receivable	71.62	201.71

Amount outstanding (payables)	As at March 31, 2026	As at March 31, 2025
Holding company		
Yuken India Limited		
- Trade payable	26.27	155.18
- Other financial liability	50.75	6.91
- Other advances	2,866.89	2,498.46

Guarantees outstanding	As at March 31, 2026	As at March 31, 2025
Holding company		
Yuken India Limited	1,850	1,850

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Summary of material accounting policies and other explanatory information for the Year ended March 31, 2016 (cont'd)

(All amounts are in Rupees in Lakhs except for share data or other wise stated)

35. Financial Ratios

Ratio	Numerator	Denominator	Current Period	Previous Period	% Variance	Reason for variance
Current ratio (times)	Current assets	Current liabilities	0.34	0.37	-9.96%	
Debt-equity ratio (times)	Total Debt	Shareholder's Equity	(18.61)	2.91	-738.83%	Increase in debt-equity ratio is attributable to additional borrowings during the current year and negative networth.
Debt service coverage ratio (times)	Earnings available for debt service	Debt Service	0.46	0.25	82.65%	Profit before interest, depreciation has increase in comparison to previous year.
Return on equity (%)	Net Profit after taxes	Average Shareholder's Equity	(7.09)	(0.07)	9699.14%	The decline in return on equity is attributable to increased losses during the current year, which has also resulted in net worth turning negative.
Inventory turnover ratio (times)	COGS	Average inventory	0.68	2.83	-76.13%	Movement in inventory turnover is attributable to higher inventory holding as at the year-end.
Trade receivables turnover ratio (times)	Revenue	Average Trade Receivable	9.31	7.86	18.47%	
Trade payable turnover ratio (times)	Purchases of services and other expense	Average Trade Payables	0.93	3.29	-71.78%	Increase of purchases in comparison to previous year.
Net capital turnover ratio (times)	Revenue	Working Capital	(1.84)	(1.69)	9.28%	
Net profit ratio (%)	Net Profit	Revenue	(0.03)	(0.00)	1327.48%	Decline in net profit is due to higher operational costs, finance costs and depreciation during the current year.
Return on capital employed (%)	Earning before interest and taxes	Capital Employed	0.08	0.92	-91.18%	Decline in net profit is due to higher operational costs, finance costs and depreciation during the current year.
Return on investment (%)	Income generated from investments	Time weighted average investment	No investments	No investments	NA	

Earning for debt service = Net profit after taxes - Non-cash operating expenses like depreciation and other amortisations + Interest + other adjustments like loss on sale of PP&E etc.

Debt service = Interest and principal repayments including lease payments.

Shareholders equity = Contributed capital - retained earnings



36. Fair value measurements

(i) Financial instruments by category

The carrying value and fair value of financial instruments by categories as of March 31, 2026 were as follows:

Particulars	Note No.	Amortised cost	Financial assets/liabilities at FVTPL	Financial assets/liabilities at FVOCI
Assets :				
Cash and cash equivalents	7	7.11	-	-
Other financial assets				
(i) Security deposits	4	34.44	-	-
Trade receivables	6	102.30	-	-
Total		143.85	-	-
Liabilities:				
Borrowings	11	511.40	-	-
Lease Liability	3d	821.02	-	-
Other financial liabilities				
(i) Trade payables	14	1,277.42	-	-
Total		2,609.84	-	-

The carrying value and fair value of financial instruments by categories as of March 31, 2025 were as follows:

Particulars	Note No.	Amortised cost	Financial assets/liabilities at FVTPL	Financial assets/liabilities at FVOCI
Assets :				
Cash and cash equivalents	7	13.31	-	-
Other financial assets				
(i) Security deposits	4	45.76	-	-
Trade receivables	6	214.98	-	-
Total		274.05	-	-
Liabilities:				
Borrowings	11	476.11	-	-
Other financial liabilities				
(i) Trade payables	14	1,532.09	-	-
Lease liability	3d	837.84	-	-
Total		2,846.04	-	-

The management assessed that the fair value of cash and cash equivalents, trade receivables, loans, other financial assets, trade payables, working capital loans and other financial liabilities approximate the carrying amount largely due to short-term maturity of this instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.



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Summary of material accounting policies and other explanatory information for the Year ended March 31, 2026 (cont'd)

(All amounts are in Rupees in Lakhs except for share data or other wise stated)

(ii) Fair value of financial assets and liabilities measured at amortised cost

The management assessed that for amortised cost instruments, fair value approximate largely to the carrying amount.

37. Fair value hierarchy

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three Levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: quoted prices (unadjusted) in active markets for financial instruments.

Level 2: the fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data rely as little as possible on entity specific estimates.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

The carrying value of financial instruments by categories as follows:

Particulars	Note No.	As at March 31, 2026	As at March 31, 2025
Financials measured at amortized costs:			
Financial assets			
Trade receivable *	6	102.30	214.98
Cash and cash equivalents and other bank balances			
Cash and cash equivalents #	7	7.11	13.31
Financial liabilities measured at amortized cost:			
Borrowings	11	511.40	476.11
Lease liability	3d	821.02	837.84
Trade Payables *	14	1,277.42	1,532.09

*The carrying value of these accounts are considered to be the same as their fair value, due to their short term nature. Accordingly, these are classified as level 3 of fair value hierarchy.

These accounts are considered to be highly liquid/ liquid and the carrying amount of these are considered to be the same as their fair value.

38. Financial risk management**Risk management framework**

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on it's financial performance. The primary market risk to the Company is foreign exchange exposure risk. The Company uses derivative financial instruments to mitigate foreign exchange related risk exposures. The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer.

The Company's risk management activity focuses on actively securing the Company's short to medium-term cash flows by minimising the exposure to volatile financial markets. Long-term financial investments are managed to generate lasting returns.

The Company does not actively engage in the trading of financial assets for speculative purposes nor does it write options. The most significant financial risks to which the Company is exposed are described below.



(A) Credit risk analysis

Credit risk is the risk that a counterparty fails to discharge an obligation to the Company, resulting in a financial loss. The Company is exposed to this risk for various financial instruments. The Company's maximum exposure to credit risk is limited to the carrying amount of financial assets, as summarised below:

Assets under credit risk	As at March 31, 2026	As at March 31, 2025
Cash and cash equivalents	7.11	13.31
Security deposits	34.44	45.76
Trade receivables	102.30	214.98
Total	143.85	274.05

A1 Trade and other receivables

Trade receivables are typically unsecured and are derived from revenue earned from customers (Related Parties) primarily located in India. Credit risk has always been managed by the Company through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business. Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. Historical trends of impairment of trade receivables do not reflect any significant credit losses. Given that the macro economic indicators affecting customers of the Company have not undergone any substantial change, the Company expects the historical trend of minimal credit losses to continue. Further, management believes that the unimpaired amounts that are past due by more than 30 days are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk.

A2 Cash and cash equivalents

The credit risk for cash and cash equivalents, and derivative financial instruments is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

Financial assets that are neither past due nor impaired

Cash and cash equivalents, advances recoverable, loans and advances to employees, security deposit and other financial assets are neither past due nor impaired.

Financial assets that are past due but not impaired

There is no other class of financial assets that is past due but not impaired.

(B) Liquidity risk

Liquidity risk is that the Company might be unable to meet its obligations. The Company manages its liquidity needs by monitoring scheduled debt servicing payments for long-term financial liabilities as well as forecast cash inflows and outflows due in day-to-day business. The data used for analysing these cash flows is consistent with that used in the contractual maturity analysis below. Liquidity needs are monitored in various time bands, usually on a month on month basis. Long-term liquidity needs for a 360-day lookout period are identified monthly. Net cash requirements are compared to available borrowing facilities in order to determine headroom or any shortfalls. This analysis shows that available borrowing facilities are expected to be sufficient over the lookout period.

The Company's objective is to maintain cash and marketable securities to meet its liquidity requirements for 30-day periods at a minimum. This objective was met for the reporting periods. Funding for long-term liquidity needs is additionally secured by an adequate amount of committed credit facilities and the ability to sell long-term financial assets.

The Company's non-derivative financial liabilities have contractual maturities (including interest payments where applicable) as summarised

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(All amounts are in Rupees in Lakhs except for share data or other wise stated)

Maturities of financial liabilities

As at March 31, 2026	Less than 1 year	1 year to 5 years	More than 5 years
Borrowings	511.40	-	-
Lease liability	49.42	307.01	464.59
Trade payables	1,277.42	-	-
Other current liabilities	2,866.89	-	-
	4,705.13	307.01	464.59

As at March 31, 2025	Less than 1 year	1 year to 5 years	More than 5 years
Borrowings	476.11	-	-
Trade payables	1,532.09	-	-
Lease liability	35.52	337.73	464.59
Other current liabilities	2,490.59	-	-
	4,534.31	337.73	464.59

(C) Market risk

Market risk is the risk of loss of future earnings or fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign exchange rates and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables. The company has no transactions which would carry any interest rate risk or foreign currency risk in regards to fair value or future cash flows of financial instruments.

39. Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Accounting profit before tax and exceptional item	(156.93)	18.04
Tax on accounting profit at statutory income tax rate [27.82%] (PY 27.82%)	(43.66)	5.02
Reconciling items:		
Tax effect on permanent non-deductible expenses	-	-
Tax adjustments of Prior Years	-	-
Others	81.45	24.84
At the effective income tax rate of 27.82% (PY 27.82%)	37.79	29.86
Income tax expense reported in the Statement of Profit and Loss	37.79	29.86



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Summary of material accounting policies and other explanatory information for the Year ended March 31, 2026 (cont'd)

(All amounts are in Rupees in Lakhs except for share data or other wise stated)

40. Additional Regulatory Information

- a) The Company has not revalued its property, plant and equipment (including the right of use assets) and intangible assets.
- b) No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.
- c) The Company has not been declared as a wilful defaulter by any bank or financial institution or other lenders.
- d) Compliance with clause (87) of section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017 with respect to layer of companies are not applicable to the company.
- e) The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956
- f) The Company does not have any charges or satisfaction which is yet to be registered with Registrar of companies beyond the statutory period.
- g) The Company has not entered into any scheme of arrangement as per section 230 to 237 of the Companies Act, 2013.
- h) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- i) 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.
- j) The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- k) The Company have not traded or invested in Crypto currency or Virtual currency during the financial year.

41. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

for and on behalf of the Board of directors of

Coretec Engineering India Private Limited

CIN - U29246KA1998PTC023863



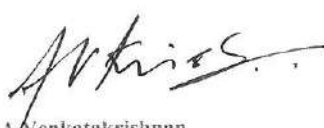
K.G. Ravi

Director

DIN: 03520396

Place: Bangalore

Date : May 18, 2026



A Venkatakrishnan

Director

DIN: 08219189

Place: Bengaluru

Date : May 18, 2026



KOLBEN HYDRAULICS LIMITED
CIN: U29119KA2007PLC043340

**Regd. Office: P B No 5, Koppathimmanahalli Village, Malur-Hosur Main Road,
Lakkur Hobli, Malur Taluk, Malur Kolar-563130 Karnataka, India
Ph.9972099339, Web: www.kolbenhydraulics.com,
E-Mail Id: sureshkannan@kolbenhydraulics.com / kolbenhydraulics@gmail.com**

NOTICE OF NINETEENTH (19th) ANNUAL GENERAL MEETING

NOTICE is hereby given that the 19th Annual general Meeting of the Members of Kolben Hydraulics Limited will be held on Wednesday, July 22, 2026, at 12:00 PM at P B No 5, Koppathimmanahalli Village, Malur-Hosur Main Road, Lakkur Hobli, Malur Taluk, Kolar, Malur, Karnataka, India, 563130 to transact the following business:

ORDINARY BUSINESS:

- 1. To receive, consider and adopt the audited standalone and consolidated financial statements of the Company for the Financial Year ended March 31, 2026, and the reports of the Board of Directors and the Auditors thereon.**
- 2. To appoint director in place of Mr. H M Narasinga Rao (DIN: 00529717) who retires by rotation and being eligible offers himself for re-appointment**
- 3. To Appoint Statutory Auditors of the Company**

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

"RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, and pursuant to the recommendation of the Board of Directors, M/s SGSK & Company, Chartered Accountants (Firm Registration No. AEPFS7177B), who were appointed by the Members at the Extraordinary General Meeting of the Company held on June 09, 2026 to fill the casual vacancy caused by the resignation of M/s VKAN & Associates, Chartered Accountants, and who hold office up to the conclusion of this 19th Annual General Meeting, and who have consented to act as Statutory Auditors of the Company and have confirmed their eligibility under the provisions of the Companies Act, 2013, be and are hereby appointed as Statutory Auditors of the Company to hold office for a term of five consecutive years from the conclusion of this 19th Annual General Meeting until the conclusion of the 24th Annual General Meeting of the Company, at such remuneration as may be determined by the Board of Directors in consultation with the Auditors.

RESOLVED FURTHER THAT any Director of the Company be and is hereby authorized to do all such acts, deeds, matters and things and to file all necessary forms and documents with the Registrar of Companies and other authorities as may be required for giving effect to this resolution."

By order of the Board of Directors
For Kolben Hydraulics Limited



H M NARASINGA RAO

Director

DIN: 00529717



#8/A, Brindavan Layout
Subramanya pura Road,
Bangalore South - 560062

Notes

1. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member of the Company. The instrument appointing proxy in order to be effective must be deposited at the registered office of the Company not less than 48 hours before the commencement of the Meeting.
2. Members/Proxies are requested to bring their attendance slip duly filled in for attending the Meeting.
3. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 will be available for inspection by the members at the AGM.
4. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the members at the AGM.
5. All documents referred to in the Notice and Explanatory Statement shall be available for inspection by the members at the Registered Office of the Company during business hours on all working days up to the date of the AGM.
6. Members seeking any information with regard to the accounts or any matter to be placed at the AGM are requested to write to the Company at least 7 days in advance so as to enable the management to keep the information ready.
7. Members are requested to bring their copy of the Annual Report to the Meeting as copies will not be distributed at the venue.

**By order of the Board of Directors
For Kolben Hydraulics Limited**


H M NARASINGA RAO
Director
DIN: 00529717



*#8/A, Brindavan Layout,
Subramanyapura Road,
Bengalore South - 560062*

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO-03

M/s VKAN & Associates, Chartered Accountants, resigned as Statutory Auditors of the Company with effect from June 02, 2026, resulting in a casual vacancy in the office of Statutory Auditors. Pursuant to Section 139(8) of the Companies Act, 2013, the Members of the Company at their Extraordinary General Meeting held on June 09, 2026, appointed M/s SGSK & Company, Chartered Accountants (Firm Registration No. AEPFS7177B), as Statutory Auditors to fill the said casual vacancy and to hold office until the conclusion of this Annual General Meeting.

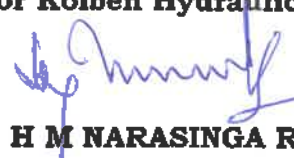
The Board of Directors, based on the recommendation of the Audit Committee (where applicable), has recommended the appointment of M/s SGSK & Company, Chartered Accountants, as Statutory Auditors of the Company for a term of five consecutive years commencing from the conclusion of this Annual General Meeting until the conclusion of the Annual General Meeting to be held in the year 2031.

M/s SGSK & Company have furnished their written consent to act as Statutory Auditors and have confirmed that their appointment, if made, shall be in accordance with the conditions prescribed under the Companies Act, 2013 and the rules made thereunder.

The Board recommends the Ordinary Resolution set out at Item No. 3 of the Notice for approval of the Members.

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

**By order of the Board of Directors
For Kolben Hydraulics Limited**


H M NARASINGA RAO
Director
DIN: 00529717



*#8/A, Brindavan Layout,
Subramanyapura Road,
Bengalore South - 560062*

ATTENDANCE SLIP
ANNUAL GENERAL MEETING OF KOLBEN HYDRAULICS LIMITED

CIN: U29119KA2007PLC043340

Registered Office: P B No 5, Koppathimmanahalli Village, Malur-Hosur Main Road,
Lakkur Hobli, Malur Taluk, Kolar, Malur, Karnataka, India, 563130

Date: July 22, 2026

Time: 12.00 PM

Venue: P B No 5, Koppathimmanahalli Village, Malur-Hosur Main Road, Lakkur
Hobli, Malur Taluk, Kolar, Malur, Karnataka, India, 563130

**PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE
ENTRANCE OF THE MEETING HALL**

Name of the Member / Authorised Representative:

DP ID - Client ID / Folio No.:

No. of Shares Held:

Name of Proxy (if applicable): _____

I hereby record my presence at the **19TH Annual General Meeting of the Company**
held on _____ at _____.

Signature of Member / Authorised Representative / Proxy: _____

Note:

1. Members/Proxies are requested to bring their copy of the Notice for reference at the Meeting.
2. This Attendance Slip will not be accepted without signature.

FORM NO. MGT-11
PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the
Companies (Management and Administration) Rules, 2014]

Name of the Company	
CIN	
Registered Office Address	

DETAILS OF MEMBER

Particulars	Details
Name of Member	
Registered Address	
E-mail ID	
Folio No. / DP ID - Client ID	
No. of Shares Held	

DETAILS OF PROXY

Particulars	Details
Name of Proxy	
Address	
E-mail ID	
Signature of Proxy	

I/We, being the member(s) of the above named Company, hereby appoint the above named person as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the ____ Annual General Meeting of the Company to be held on _____ at _____ and at any adjournment thereof in respect of the resolutions mentioned below

RESOLUTIONS

Item No.	Resolution Description
1	
2	

3

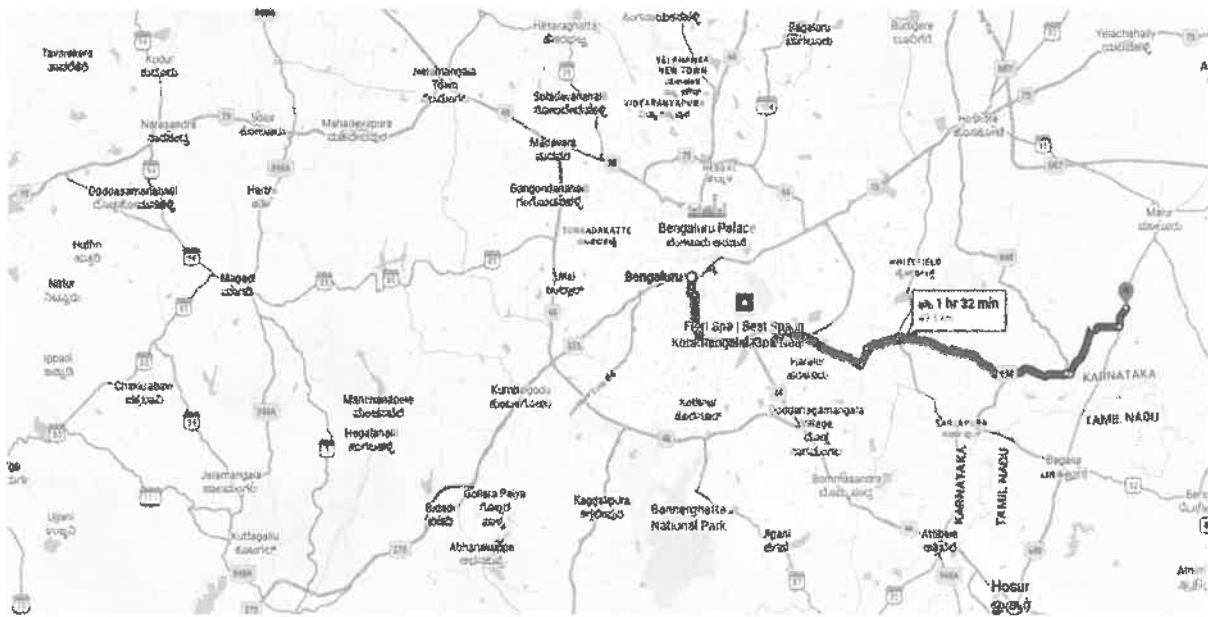
Signed this ____ day of _____ 20__

| Signature of Member | _____ |

NOTES

1. A proxy need not be a member of the Company.
2. The proxy form must be deposited at the Registered Office of the Company not less than 48 hours before the time of the Meeting.
3. A person can act as proxy on behalf of not more than 50 members and holding not more than 10% of total share capital of the Company.

ROUTE MAP FROM BANGALORE TO KOLBEN HYDRAULICS LIMITED



<https://maps.app.goo.gl/UHvWHQerGvCsXcY69>

BOARD'S REPORT

**To,
The Members of
KOLBEN HYDRAULICS LIMITED.**

The Board of Directors are pleased to present the **19th** Annual Report of the business and operations of the Company together with the audited financial statements for the year ended March 31, 2026.

1. FINANCIAL PERFORMANCE:

During FY 2025-26, the Company faced a challenging operating environment, resulting in a significant decline in revenue and a higher net loss compared to the previous year.

(Rs. In Lakhs)			
Particulars	FY 2025-26 (₹ Lakhs)	FY 2024-25 (₹ Lakhs)	Change (%)
Revenue from Operations	1,187.20	1,451.76	(18.2)
Total Income	1,190.57	1,461.43	(18.5)
Total Expenses	1,324.24	1,511.65	(12.4)
Loss Before Tax	(133.67)	(50.22)	(166.2)
Loss After Tax	(176.73)	(39.18)	(351.1)
EPS (₹)	(5.89)	(1.31)	(349.6)

2. PERFORMANCE REVIEW:

During FY 2025-26, the Company's revenue from operations declined by 18.2% to ₹1,187.20 lakhs from ₹1,451.76 lakhs in the previous year. Although total expenses reduced by 12.4% to ₹1,324.24 lakhs, the decline in revenue outweighed the savings in costs.

As a result, the Company reported a loss before tax of ₹133.67 lakhs compared to a loss of ₹50.22 lakhs in FY 2024-25. After accounting for deferred tax expense, the net loss increased to ₹176.73 lakhs from ₹39.18 lakhs in the previous year.

Consequently, the Company's basic and diluted loss per share increased to ₹5.89 as against ₹1.31 in FY 2024-25.

3. ANNUAL RETURN:

As per Section 92 (3) of the Companies Act, 2013 the Company shall place a copy of the annual return on the website of the Company, if any. Since the Company do not have its website, hence the web-link is not given.

4. NUMBER OF MEETINGS OF THE BOARD:

During the financial year 2025-26, 4 (Four) Board Meetings were held. The details of the meetings are as under:

Sl. No.	Date of Meeting
1	May 23, 2025
2	August 02, 2025
3	October 31, 2025
4	February 02, 2026

5. DIRECTORS RESPONSIBILITY STATEMENT:

In accordance with the provisions of Section 134(5) of the Companies Act, 2013, the Board hereby submits its Responsibility Statement:

- (a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the profit and loss of the Company for that period;
- (c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) The Directors had prepared the annual accounts on a going concern basis;
- (e) The Directors had laid down internal financial controls to be followed by the Company as applicable to the subsidiaries of listed companies and such internal financial controls are adequate and were operating effectively; and
- (f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

6. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013:

The Company has not made any loans or advances or given guarantees or provided securities or made investments in other bodies corporate during the financial year.

7. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES:

All contracts or arrangements with related parties, entered into or modified during the financial year were at arm's length basis and in the ordinary course of the Company's business.

As per requirements of Indian Accounting Standard 24, the transactions with related parties are disclosed in the Note No. 35 of the Notes forming part of the financial statements in the Annual Report.

A statement in Form AOC-2 pursuant to the provisions of Clause (h) of sub-section (3) of section 134 of the Act read with sub-rule (2) of Rule 8 of Companies (Accounts) Rules, 2014 is furnished in "Annexure-1" is forming part of this report.

8. DETAILS OF AMOUNTS TRANSFERRED TO RESERVES:

The Company has not transferred any amount to reserves during the year.

9. DIVIDEND:

Your directors do not recommend any dividend for the financial year ended 31st March, 2026 to conserve cash for the future expansion.

10. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND:

The Company was not required to transfer any amounts in unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years to Investor Education and Protection Fund.

11. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION BETWEEN END OF FINANCIAL YEAR AND DATE OF REPORT:

There has been no material changes and commitments, affecting the financial performance of the Company occurred between the end of the financial year of the Company to which the Financial Statements relate and the date of this Report.

12. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO UNDER SECTION 134(3)(m) OF THE COMPANIES ACT, 2013 READ WITH RULE 8(3) OF THE COMPANIES (ACCOUNTS) RULES, 2014:

In terms of clause (m) of sub-section (3) of section 134 of the Companies Act, 2013 and the rules framed there under, the particulars relating to conservation of energy, technology absorption and foreign earnings and outgo is given below:

1). CONSERVATION OF ENERGY:

The consumption of electricity during the year is minimal. The management is taking conscious efforts to conserve the energy.

2). TECHNOLOGY ABSORPTION:

The Company has no activity relating to technology absorption.

3). FOREIGN EXCHANGE EARNINGS AND OUTGO:

Sl. No.	Particulars	As on 31.03.2026 (Amount in INR)	As on 31.03.2025 (Amount in INR)
01	Foreign Exchange Earnings	14.67 Lakhs	120.81 Lakhs
02	Foreign Exchange Outgo	467.13 Lakhs	319. 1o Lakhs

13. DETAILS OF CHANGE IN NATURE OF BUSINESS, IF ANY:

There was no change in the nature of business of the Company during the year 2025-26.

14. BOARD OF DIRECTORS:

The Board comprises following Directors:

Sl. No	Name of the Directors	Designation
1.	K Gopalkrishna	Independent Director
2.	H M Narasinga Rao	Director
3	Suresh Kannan Varadhan	Director

15. INDEPENDENT DIRECTORS:

The Company was not required to appoint Independent Directors under Section 149(4) and Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

16. KEY MANAGERIAL PERSONNEL:

Pursuant to provisions of section 196 of the Companies Act, 2013, Mr. Suresh Kannan Varadhan is a Whole-time Director of the Company.

17. DETAILS OF REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

The provisions of Section 178(1) of the Companies Act, 2013 is not applicable to Company. However, remuneration policy as adopted by the Company envisages payment of remuneration according to qualification, experience and performance at different levels of the organization. The employees at the factory as well as those rendering clerical, administrative and professional services are suitably remunerated according to the industry norms.

Name of the Director / Key Managerial Personnel (KMP)	Remuneration for the financial year 2025-26 (In Rs.)	Remuneration for the financial year 2024-25 (In Rs.)	%increase/ (decrease) in remuneration in the financial year 2025-26
Mr. Suresh Kannan, Director	27,13,836	32,13,841	The remuneration decreased by 15.56% during FY 2025-26 compared to FY 2024-25.

18. SUBSIDIARY:

The Company do not have any subsidiary companies, associate companies and joint ventures.

19. STATUS OF THE COMPANY:

The Company is a subsidiary of **YUKEN INDIA LIMITED**.

20. INTERNAL FINANCIAL CONTROLS:

The Board has adopted the policies and procedures for ensuring the orderly and efficient conduct of business, including adherence to the 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 disclosures.

21. DEPOSITS:

During the year under review, your Company did not accept any deposit within the meaning of the provisions of Chapter V – Acceptance of Deposits by Companies read with the Companies (Acceptance of Deposits) Rules, 2014.

Pursuant to the Ministry of Corporate Affairs (MCA) notification amending the Companies (Acceptance of Deposits) Rules, 2014, the Company has filed with the Registrar of Companies (ROC) the requisite returns for outstanding receipt of money/loan by the Company, which is not considered as deposits.

22. MATERIAL ORDERS PASSED BY REGULATORY AUTHORITIES:

There are no significant and material orders passed by the regulators or courts or tribunals during the year, impacting the going concern status and company's operations in future.

23. RISK MANAGEMENT POLICY:

Risks are events, situations or circumstances which may lead to negative consequences on the Company's businesses. Risk Management is a structured approach to manage uncertainty. Although the Company does not have a formal risk management policy but a formal enterprise-wide approach to Risk Management is being adopted by the Company and key risks will now be managed within a unitary framework. Key business risks and their mitigation are also considered in the annual / strategic business plans and in periodic management reviews.

24. DETAILS OF REVISION OF FINANCIAL STATEMENTS:

There was no revision of the financial statements of the Company, during the year 2025-26.

25. CORPORATE SOCIAL RESPONSIBILITY:

The provisions of section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 are not applicable to the Company.

26. SECRETARIAL STANDARDS:

The Company complies with all applicable mandatory secretarial standards issued by Institute of Company Secretaries of India.

27. THE DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONGWITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR:

There is no application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2013 as on 31st March, 2026.

28. THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF:

Not Applicable.

29. DISCLOSURE FOR MAINTENANCE OF COST RECORDS AS PER SECTION 148(1):

The Company is not required to maintain the books of accounts and other related records as per rules prescribed by the Central Government under section 148(1) of the Companies Act, 2013.

30. PARTICULARS OF EMPLOYEES:

During the year under review, the Company had no employees who earned remuneration beyond the limits specified under Section 197 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016.

31. HUMAN RESOURCES:

The management has always carried out systematic appraisal of performance and imparted training at periodic intervals. The company has always recognized talent and has judiciously followed the principle of rewarding performance.

32. SHARE CAPITAL:

The Board provides following disclosures pertaining to Companies (Share Capital and Debentures) Rules, 2014:

Sl. No.	Particulars	Disclosure
1	Issue of Equity shares with differential rights	Nil
2	Issue of Sweat Equity shares	Nil
3	Issue of employee stock option	Nil
4	Provision of money by company for purchase of its own shares by trustees for the benefit of employees	Nil

As on March 31, 2026 the authorized share capital of the Company is Rs. 5,00,00,000/- consisting of 50,00,000 equity shares of Rs. 10/- each. The paid up Share Capital of the Company is 3,00,06,000/- consisting of 30,00,600 equity shares of Rs. 10/- each

33. STATUTORY AUDITORS:

Pursuant to provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, **M/s. V K A N & ASSOCIATES**, Chartered Accountants, Bengaluru have been appointed as statutory auditors of the Company at the Annual General Meeting held on 3rd September, 2024, for a period of 5 years and to hold the office up to the conclusion Annual General Meeting of the Company to be held in the year 2029.

The Statutory Auditor's Report for FY 2025-26 does not contain any qualifications reservation or adverse remark.

Further, the Auditors of the Company have not reported any fraud as specified under Section 143(12) of the Act. The Auditor's Report is enclosed with the financial statements.

34. SECRETARIAL AUDITORS:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Secretarial Audit is not applicable to the Company.

35. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

Your Company has always believed in providing a safe and harassment free workplace for every individual working in the Company's premises through various interventions and practices. The Company always endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment.

The Company does not have a formal Anti Sexual Harassment policy in place but has adequate measures including checks and corrections in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013.

During the year 2024-25, no complaint of sexual harassment has been received.

36. COMPLIANCE UNDER MATERNITY BENEFIT ACT, 1961:

The Company confirms that it is in compliance with the provisions of the Maternity Benefit Act, 1961. The Company provides maternity leave and all other benefits as

prescribed under the Act to its women employees. Provision of nursing breaks, and maintenance of prescribed records. Further, in accordance with the requirements of the Act, the Company has made arrangements for creche facilities at its workplace, wherever applicable, to support the well-being of women employees and their children.

37. ACKNOWLEDGEMENTS:

Your Directors place on record their sincere thanks to the Customers, bankers, business associates, consultants, Regulatory authorities, various Government Authorities and all stakeholders for their continued support extended to your Company's activities during the year. Your Directors also acknowledge their gratitude to the Shareholders of the Company, for their continuous support and confidence reposed on the Company. Your Directors wish to place on record their appreciation of the dedicated and untiring hard work put by the employees at all levels.

On behalf of the Board
For KOLBEN HYDRAULICS LIMITED


SURESH KANNAN VARADHAN

Director

DIN: 03280922

Date: May 18, 2026

Place: Malur

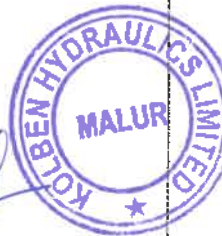
C-304, RNS Shanthi Nivas,
Yeshwanthpura,
Bangalore- 560022


H M NARASINGA RAO

Director

DIN: 00529717

#8/A, Brindavan Layout
Subramanyapura Road,
Bangalore South-560062



ANNEXURE-1
Form No. AOC-2

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 arms length transactions under fourth proviso thereto

[Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 20

- 1. Name of the Company- Kolben Hydraulics Limited**
- 2. Details of contracts or arrangements or transactions not at arm's length basis**

Number of contracts/Arrangements or transactions not at arm's length- Nil

Block-1	Details
Corporate identity number (CIN)	NA
Name(s) of the related party and nature of relationship	NA
Nature of contracts / arrangements / transactions	NA
Duration of the contracts / arrangements / transactions	NA
Salient terms of the contracts or arrangements or transactions including value, if any	NA
Justification for entering into such contracts or arrangements or transactions	NA
Date(s) of approval by the Board	NA
Amount paid as advances, if any	NA
Date on which special resolution was passed in general meeting, if required	NA
SRN of MGT-14	NA

- 3. Details of material contracts or arrangements or transactions at arm's length basis**

Number of material contracts or arrangements or transactions at arm's length- 1

Block-1	Details
Corporate identity number (CIN)	L29150KA1976PLC003017
Name(s) of the related party and nature of relationship	Holding Company (Yuken India Limited is holding 95.30% of share capital of Kolben Hydraulics Limited
Nature of contracts / arrangements / transactions	Sale of goods and services
Duration of the contracts / arrangements / transactions	Continuous one
Salient terms of the contracts or arrangements or transactions including value, if any	Sales of goods and services in the ordinary course of business worth INR 306.07 Lakhs

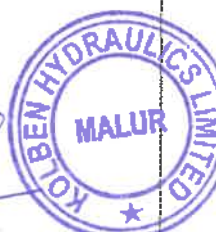
	Purchase of goods and services in the ordinary course of business worth INR. 168.43 Lakhs
Justification for entering into such contracts or arrangements or transactions	The sale and purchase transaction with the Related Party is in the ordinary course of business of the Company and is undertaken to further its business objectives. The transaction pertains to the sale of goods/products/services that are routinely offered by the Company as part of its regular business operations.
Date(s) of approval by the Board	NA
Amount paid as advances, if any	183.64 Lakhs
Date on which special resolution was passed in general meeting, if required	NA
SRN of MGT-14	NA

All the related party transactions are in the ordinary course of business and on arm's length basis. Please refer to transactions reported in Note No 29 of the notes forming part of the financial statements in annual report.

On behalf of the Board
For **KOLBEN HYDRAULICS LIMITED**


SURESH KANNAN VARADHAN
Director
DIN: 03280922


H M NARASINGA RAO
Director
DIN: 00529717



Date: May 18, 2026
Place: Malur

C-304, RNS Shanthi Nivas,
Yeshwanthpura,
Bangalore - 560022

#8/A, Brindavan Layout
Subramanyapura Road,
Bangalore South - 560062

(All amounts are in Rupees in Lakhs except for share data or other wise stated)

Particulars		Note No.	As at 31 March 2026	As at 31 March 2025
A	ASSETS			
I	Non-current assets			
	Property, plant and equipment	3	54.65	54.92
	Intangible assets	3	4.97	9.97
	Deferred tax assets (net)	4	36.72	79.78
	Financial assets			
	(i) Other financial assets	5a	0.10	0.10
	Non current tax assets	5b	3.11	9.69
	Total non-current assets		99.55	154.46
II	Current assets			
	Inventories	6	586.23	933.97
	Financial assets			
	(i) Trade receivables	7	83.11	327.16
	(ii) Cash and cash equivalents	8	20.14	16.00
	(iii) Other financial assets	5a	0.30	-
	Other current assets	9	61.91	114.96
	Total current assets		751.69	1,392.09
	TOTAL ASSETS		851.24	1,546.55
B	EQUITY AND LIABILITIES			
I	EQUITY			
	Equity share capital	10	300.06	300.06
	Other equity	11	(383.95)	(207.22)
	Total equity		(83.89)	92.84
II	LIABILITIES			
1	Non-current liabilities			
	Provisions	12	14.75	14.99
	Total non-current liability		14.75	14.99
2	Current liabilities			
	Financials liabilities			
	(i) Borrowings	13	200.00	200.00
	(ii) Trade payables	14		
	(A) Total outstanding dues of creditors to micro enterprises and small enterprises		10.50	1.12
	(B) Total outstanding dues of creditors other than micro enterprises and small enterprises		503.83	98.71
	(iii) Other financial liabilities	15	6.75	8.76
	Other current liabilities	16	186.69	1,112.19
	Provisions	17	12.61	17.94
	Total current liability		920.38	1,438.72
	TOTAL EQUITY AND LIABILITIES		851.24	1,546.55

The accompanying notes referred to above form an integral part of the IND AS financial statements.

1-43

In terms of our report of even date attached

for V K A N & Associates

Chartered Accountants

ICAI Firm Regn. No: 014226S

Vishwas

Vishwas Deshmukh

Partner

Membership No: 230806

Place: Bangalore

Date: May 18, 2026



for and on behalf of the Board of directors of
Kolben Hydraulics Limited

CIN - U29119KA2007PLC043340

M Narasinga Rao

M M Narasinga Rao

Director

DIN: 00529717

Place: Bangalore

Date: May 18, 2026

V Suresh Kannan

V Suresh Kannan

Director

DIN: 03280922

Place: Bangalore

Date: May 18, 2026



Kolben Hydraulics Limited**Statement of Profit and Loss for the year ended March 31, 2026**

CIN - U29119KA2007PLC043340

(All amounts are in Rupees in Lakhs except for share data or other wise stated)

Particulars	Note No.	Year Ended March 31, 2026	Year Ended March 31, 2025
Income			
Revenue from operations	18	1,187.20	1,451.76
Other income	19	3.37	9.67
		1,190.57	1,461.43
Expenses			
Cost of materials consumed	20	761.71	1,717.29
Changes in stock of finished goods, work-in-progress and stock-in-trade	21	355.34	(421.19)
Employee benefits expenses	22	87.69	101.35
Finance costs	23	17.28	19.80
Depreciation and amortisation expense	24	17.47	16.92
Other expenses	25	84.75	77.48
Total Expenses		1,324.24	1,511.65
Profit/(loss) before tax		(133.67)	(50.22)
Tax expense/(benefit):	26		
Deferred tax		43.06	(11.04)
Profit/(Loss) after tax		(176.73)	(39.18)
Total Comprehensive Income/(loss) for the year		(176.73)	(39.18)
Earnings per share (of Rs. 10/- each)			
Basic and diluted (in Rs.)	35	(5.89)	(1.31)

The accompanying notes referred to above form an integral part of the IND AS financial statements. 1-43

In terms of our report of even date attached

for **V K A N & Associates**

Chartered Accountants

ICAI Firm Regn. No: 014226S

for and on behalf of the Board of directors of

Kolben Hydraulics Limited

CIN - U29119KA2007PLC043340


Vishwas Deshmukh
Partner

Membership No: 230806

Place: Bangalore

Date: May 18, 2026



H M Narasinga Rao
Director

DIN: 00529717

Place: Bangalore

Date: May 18, 2026


V Suresh Kannan
Director

DIN: 03280922

Place: Bangalore

Date: May 18, 2026



Kolben Hydraulics Limited
Statement of Cash flow for the year ended March 31, 2026
CIN - U29119KA2007PLC043340

(All amounts are in Rupees in Lakhs except for share data or other wise stated)

Particulars	Year ended March 31, 2026		Year ended March 31, 2025	
A. Cash flow from operating activities :				
Profit/(Loss) before Tax		(133.67)		(50.22)
Adjustments for :				
Depreciation and Amortisation	17.47		16.92	
Finance Costs	17.28		19.80	
Provision on Doubtful debts	1.50		-	
Bad Debts Written off	3.87		0.25	
	-	40.12	-	36.97
Operating profit / (loss) before working capital changes		(93.55)		(13.25)
Changes in working capital:				
Adjustments for (increase) / decrease in operating assets:				
Inventories	347.74		(439.93)	
Trade Receivables	238.68		(193.41)	
Other non-current assets	-		(2.08)	
Other Current assets	53.05		(81.70)	
Other Financial Assets	(0.30)		0.50	
Adjustments for increase / (decrease) in operating liabilities:				
Trade payables	414.50		74.29	
Other Current liabilities	(925.50)		675.67	
Long Term Provisions	(0.24)		(7.65)	
Other Financial Liabilities	(2.01)		8.45	
Short Term Provisions	(5.33)	120.59	12.20	46.34
Cash Generated from Operations		27.04		33.09
Direct tax paid		6.58		-
Net cash flow from / (used in) operating activities (A)		33.62		33.09
B. Cash flow from investing Activities				
Purchase of fixed assets including Capital WIP	(12.20)		(9.28)	
		(12.20)		(9.28)
Net cash flow from / (used in) investing activities (B)		(12.20)		(9.28)
C. Cash flow from financing activities				
Interest paid on Working Capital Loan	(17.28)		(19.80)	
		(17.28)		(19.80)
Net cash flow from / (used in) financing activities (C)		(17.28)		(19.80)
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		4.14		4.01
Cash and cash equivalent as at:				
Opening balance		16.00		11.99
Net increase / (decrease) in Cash and cash equivalents		4.14		4.01
Closing balance		20.14		16.00

The accompanying notes referred to above form an integral part of the IND AS financial statements. 1-43

In terms of our report of even date attached

for V K A N & Associates

Chartered Accountants

ICAI Firm Regn. No: 014226S


Vishwas Deshmukh
Partner

Membership No: 230806

Place: Bangalore

Date: May 18, 2026



for and on behalf of the Board of directors of

Kolben Hydraulics Limited

CIN - U29119KA2007PLC043340


H M Narasinga Rao
Director

DIN: 00529717

Place: Bangalore

Date: May 18, 2026


V Suresh Kannan
Director

DIN: 03280922

Place: Bangalore

Date: May 18, 2026

Kolben Hydraulics Limited
Statement of Changes in Equity for the year ended March 31, 2026
CIN - U29119KA2007PLC043340

(All amounts are in Rupees in Lakhs except for share data or other wise stated)

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number of shares	Amount	Number of shares	Amount
(a) Authorised Equity shares of ₹10/- each (Previous year : ₹10/- each) with voting rights	50,00,000	500.00	50,00,000	500.00
(b) Issued, subscribed and fully paid up Equity shares of ₹10/- each (Previous year : ₹10/- each) with voting rights	30,00,600	300.06	30,00,600	300.06
	30,00,600	300.06	30,00,600	300.06

Particulars	Retained earnings	Other comprehensive income / (loss)
	Amount	
Balance as at April 01, 2024	(168.04)	-
<u>Additions during the year</u>		
Loss during the year	(39.18)	-
<u>Items of the OCI, net of tax-</u>		
Re-measurement of net defined benefit liability/(asset)		-
Total	(39.18)	-
Balance as at March 31, 2025	(207.22)	-
Balance as at April 01, 2025	(207.22)	-
<u>Additions during the year</u>		
Loss during the Year	(176.73)	-
<u>Items of the OCI, net of tax-</u>		
Re-measurement of net defined benefit liability/(asset)		-
Total	(176.73)	-
Balance as at March 31, 2026	(383.95)	-

The accompanying notes referred to above form an integral part of the IND AS financial statements.

1-43

In terms of our report of even date attached

for V K A N & Associates

Chartered Accountants

ICAI Firm Regn. No: 014226S


Vishwas Deshmukh

Partner

Membership No: 230806

Place: Bangalore

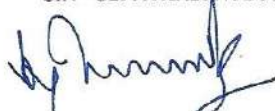
Date: May 18, 2026



for and on behalf of the Board of directors of

Kolben Hydraulics Limited

CIN - U29119KA2007PLC043340

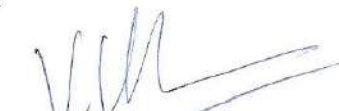

H M Narasinga Rao

Director

DIN: 00529717

Place: Bangalore

Date: May 18, 2026



V Suresh Kannan

Director

DIN: 03280922

Place: Bangalore

Date: May 18, 2026

Kolben Hydraulics Limited**Summary of Material accounting policies and other explanatory information for the year ended March 31, 2026**

CIN - U29119KA2007PLC043340

1. Corporate information:

The Company is engaged in the business of manufacture of hydraulic components and sub-assemblies for use in hydraulic applications. The company is a subsidiary of Yuken India Limited, hydraulics major and a listed Company. The company carries on its manufacturing operations from Malur (Karnataka).

2. Material accounting policies:**2.1 Basis of preparation**

These financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

The Company had incurred a loss of Rs. 176.73 lakhs during the financial year ended March 31, 2026 and a negative networth of Rs. 83.89 lakhs as at March 31, 2026. The Company's current liabilities exceeds current assets as at such date. In assessing the appropriateness of the going concern assumption, the management has evaluated the Company's financial position, performance, cash flow projections, and available credit facilities for a period of at least twelve months from the date of approval of these financial statements. The Company has taken various measures including cost optimization and focused growth plan. The Company continues to have the support of its parent company, and there are no known events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. Accordingly, management has concluded that the going concern assumption remains appropriate, and these financial statements have been prepared on that basis.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. The material accounting policy information used in preparation of the audited financial statements have been discussed in the respective notes.

2.2 Summary of the other Material accounting policies**a) Use of estimates and judgements**

The preparation of financial statements in conformity with Ind AS requires management to make certain estimates, judgements and assumptions that affect the amounts reported in the financial statements and notes thereto. Changes in estimates and judgements are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

b) Property, plant and equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by the Management. The charge in respect of periodic depreciation is derived at after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life.

Cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the company capitalises them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

Depreciation is calculated on a straight line basis over the remaining useful lives of the assets as assessed by management of the Company. The management estimated the useful lives as follows:

Assets Description	Useful Life (Years)
General plant and machinery	15
Vehicles	10
Computers and data processing equipment	3
Electrical Installation	10
Factory Building	30
Furniture & Fixtures	10
Office Equipments *	10

* For these class of assets, based on internal assessment, the management believes that the useful lives as given above best represent the period over which management expects to use these assets. Hence the useful lives for these assets are different from the useful lives as prescribed under Part-C of Schedule II of the Companies Act, 2013.

On fixed assets added/disposed of during the year, depreciation is charged on pro-rata basis with reference to the date of addition/disposal.



c) Leases

Ind AS 116 replaces Ind AS 17 – Leases and related interpretation and guidance. The standard sets out principles for recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Since the lease is of short-term (<12 months), Ind AS 116 has no impact on the balances.

d) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. 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.

e) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

The estimated useful lives of intangible assets for the current and comparative years are as follows:

Assets Description	Useful Life (Years)
Knowhow	5

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

f) Revenue recognition

Revenues from customer contracts are considered for recognition and measurement when the contract has been approved, in writing, by the parties to the contract, the parties to contract are committed to perform their respective obligations under the contract, and the contract is legally enforceable. The Company assesses the services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligations to determine the deliverables and the ability of the customer to benefit independently from such deliverables, and allocation of transaction price to these distinct performance obligations involves significant judgement.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment, including excise duty and excluding GST and other taxes or duties collected on behalf of the government. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

Sale of goods & rendering of services

Revenue is recognised when a performance obligation in a customer contract has been satisfied by transferring control over the promised goods to the customer. Control over a promised good refers to the ability to direct the use of, and obtain substantially all of the remaining benefits from, those goods. Control is usually transferred upon shipment, delivery to, upon receipt of goods by the customer, in accordance with the individual delivery and acceptance terms agreed with the customers. The amount of revenue to be recognised (transaction price) is based on the consideration expected to be received in exchange for goods, excluding amounts collected on behalf of third parties such as goods and services tax or other taxes directly linked to sales.

Revenue from rendering of services is recognised over time as and when the customer receives the benefit of the Company's performance and the Company has an enforceable right to payment for services transferred.

Other operating revenues comprise of scrap sales incidental to operations of the company and are recognised when the right to receive the income is established as per the terms of the contract.

Interest income

Income is recognized on time proportion basis taking into account the outstanding amount and the applicable rate of interest. Interest income is included in finance income in the statement of profit and loss.

Dividend income

Revenue is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.



Kolben Hydraulics Limited

Summary of Material accounting policies and other explanatory information for the year ended March 31, 2026

CIN - U29119KA2007PLC043340

g) Inventories

Inventories are valued at the lower of cost and net realisable value. Costs incurred in bringing each product to its present location and condition are accounted for as follows:

Raw materials: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a Weighted average method.

Work-in-progress, finished goods and stock-in-trade are valued at lower of cost or net realisable value. Finished goods and work-in-progress include costs of conversion and 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.

h) Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Company's of assets.

When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

i) Taxes

Current income tax

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

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

Deferred tax

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

► In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

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

► In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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 relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.



j) Provisions and contingencies

The Company creates a provision when there is present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent assets are neither recognised nor disclosed in the financial statements.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

k) Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The company has no obligation, other than the contribution payable to the provident fund. The group recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

The Gratuity liability is provided based on actuarial valuation arrived on the basis of projected unit credit method are determined at the end of each year.

Liabilities towards Leave Encashment Benefit are provided for based on actuarial valuation done at the year end.

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 OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

l) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

m) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. An earnings considered in ascertaining the Company's earnings per share is the net profit for the period attributable to equity shareholders. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

n) Foreign currency transactions and translations

(i) Functional & presentation currency

The financial statements are presented in Indian Rupee (INR), which is the company's functional & presentation currency.

(ii) Transactions & balances

Foreign currency transactions are translated into the functional currency using the exchange rate at the date of transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

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



o) Financial instruments

A) Initial recognition and measurement

All financial assets and liabilities are initially recognized at fair value on initial recognition except for trade receivables measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

B) Subsequent measurement

a) Financial assets carried at amortised cost (AC)

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset 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.

b) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets 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.

c) Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are measured at FVTPL.

C) Other equity investments

All other equity investments are measured at fair value, with value changes recognised in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the value changes in 'Other Comprehensive Income'.

D) Impairment of financial assets

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL). Expected credit losses are measured through a loss allowance at an amount equal to:

>The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

>Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

For trade receivables Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Company uses 12 month ECL to provide for impairment loss and where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

(ii) Financial liabilities

A. Initial recognition and measurement

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

B. Subsequent measurement

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

(iii) Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

p) Fair value hierarchy:

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly (i.e., prices) or indirectly observable (i.e., derived from prices).

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.



Kolben Hydraulics Limited
Summary of material accounting policies and other explanatory information for the year ended March 31, 2026 (cont'd)
CIN - U29119KA2007PLC0843340
(All amounts are in Rupees in Lakhs except for share data or other wise stated)

3. Property, Plant and Equipment (Amounts in brackets indicate previous year balances)

Sl No	Description	Gross block		Depreciation		Net block	
		As on April 01, 2025	Additions during the year	Deletions during the year	As on March 31, 2026	Up to March 31, 2026	As on March 31, 2025
1	Tangible assets (A) Plant & Machinery	94.29 (91.73)	4.33 (2.56)	-	98.62 (94.29)	6.02 (6.19)	38.19 (41.82)
2	Factory & Office Equipment	14.14 (8.88)	0.89 (5.26)	-	15.03 (14.14)	2.52 (1.95)	8.15 (4.84)
3	Computers	17.80 (17.23)	4.19 (0.57)	-	21.99 (17.80)	2.21 (2.04)	1.42 (2.89)
4	Electrical Installation	6.43 (6.43)	-	-	6.43 (6.43)	0.54 (0.54)	1.71 (2.25)
5	Furniture & Fixtures	16.57 (15.88)	2.79 (0.69)	-	19.36 (16.57)	1.18 (1.20)	5.46 (5.97)
	Total (A)	149.22	12.20	-	161.42	12.47	54.92
	<i>PY Numbers</i>	<i>(140.14)</i>	<i>(9.08)</i>	<i>-</i>	<i>(149.22)</i>	<i>(11.92)</i>	<i>(57.79)</i>
1	Intangible assets (B) Software	8.60 (8.60)	-	-	8.60 (8.60)	-	-
2	Knowhow	25.00 (25.00)	-	-	25.00 (25.00)	5.00 (5.00)	9.97 (14.97)
	Total (B)	33.60	-	-	33.60	5.00	9.97
	<i>PY Numbers</i>	<i>(33.60)</i>	<i>-</i>	<i>-</i>	<i>(33.60)</i>	<i>(5.00)</i>	<i>(14.97)</i>
	Grand Total (A+B)	182.82	12.20	-	195.02	17.47	64.89
	<i>PY Numbers</i>	<i>(173.74)</i>	<i>(9.08)</i>	<i>-</i>	<i>(182.82)</i>	<i>(16.92)</i>	<i>(72.76)</i>

(Numbers presented in brackets represent previous year figures)



Kolben Hydraulics Limited

Summary of material accounting policies and other explanatory information for the year ended March 31, 2026 (cont'd)

CIN - U29119KA2007PLC043340

(All amounts are in Rupees in Lakhs except for share data or other wise stated)

4 Deferred tax Asset / (Liability)

Particulars	As at March 31, 2026	As at March 31, 2025
Tax effect on items constituting deferred tax liability / (asset):		
On difference between book balance and tax balance of fixed assets	(1.28)	(2.50)
Provision for compensated absences, gratuity, other employee benefits and provision for doubtful debts / advances	14.50	12.08
Unabsorbed depreciation carried forward / brought forward	23.50	70.20
business losses		
Deferred Tax Asset - Net	36.72	79.78

5a Other Financial Assets

Particulars	As at March 31, 2026	As at March 31, 2025
Non Current		
Security deposits	0.10	0.10
	0.10	0.10
Current		
Advance to employees	0.30	-
Total	0.30	-

5b Non Current Tax Assets

Particulars	As at March 31, 2026	As at March 31, 2025
Non Current Tax Assets	3.11	9.69
Total	3.11	9.69

6 Inventories

Particulars	As at March 31, 2026	As at March 31, 2025
Raw materials and Components	33.74	26.14
Work-in-progress	1.55	1.22
Finished goods (refer note below)	550.94	906.61
Total	586.23	933.97

Note

(i) Finished Goods is after considering a provision of Inventories amounting to Rs. 23.28 lakhs as at March 31, 26, where as the write off of Inventory is Rs. nil lakhs as at March 31, 2026 (Rs. nil as at March 31, 2025)

7 Trade receivables

Particulars	As at March 31, 2026	As at March 31, 2025
Trade receivables		
Unsecured		
(a) Considered good	83.11	327.16
(b) Considered Doubtful	1.50	-
Less: Loss Allowance	(1.50)	-
Total	83.11	327.16



Kolben Hydraulics Limited

Summary of material accounting policies and other explanatory information for the year ended March 31, 2026 (cont'd)

CIN - U29119KA2007PLC043340

(All amounts are in Rupees in Lakhs except for share data or other wise stated)

Aging of receivables as at March 31, 2026

Particulars	Receivable for following periods from the due date					Total
	Less than 6 month	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 Years	
Undisputed Trade receivables						
considered good	83.11	-	-	-	-	83.11
which have significant increase in credit risk	-	-	-	-	1.50	1.50
credit impaired	-	-	-	-	-	-
Disputed Trade receivables						
considered good	-	-	-	-	-	-
which have significant increase in credit risk	-	-	-	-	-	-
credit impaired	-	-	-	-	-	-
Less: Loss Allowance	-	-	-	-	(1.50)	(1.50)
Total	83.11	-	-	-	-	83.11

Aging of receivables as at March 31, 2025

Particulars	Receivable for following periods from the due date					Total
	Less than 6 month	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 Years	
Undisputed Trade receivables						
considered good	311.00	0.14	9.10	6.92	-	327.16
which have significant increase in credit risk	-	-	-	-	-	-
credit impaired	-	-	-	-	-	-
Disputed Trade receivables						
considered good	-	-	-	-	-	-
which have significant increase in credit risk	-	-	-	-	-	-
credit impaired	-	-	-	-	-	-
Total	311.00	0.14	9.10	6.92	-	327.16

8 Cash and cash equivalents

Particulars	As at March 31, 2026	As at March 31, 2025
Cash on hand	0.20	0.61
Balance with banks:		
In current account	19.94	15.39
Total	20.14	16.00
Of the above, the balances that meet the definition of cash and cash equivalents as per IND AS 7		
Statement of Cash Flow is:		
	20.14	16.00

9 Other current assets

Particulars	As at March 31, 2026	As at March 31, 2025
Unsecured, considered good		
Prepaid expenses	0.61	2.45
Balances with government authorities:	61.30	112.51
Total	61.91	114.96



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(a) Share capital

Particulars	As at March 31, 2026	As at March 31, 2025
Authorised 50,00,000 Equity shares of ₹10/- each with voting rights	500.00	500.00
Total	500.00	500.00
Issued, subscribed and fully paid-up 30,00,600 Equity shares of ₹10/- each fully paid with voting rights	300.06	300.06
Total	300.06	300.06

(b) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of Shares	Amount	No. of Shares	Amount
Equity share of ₹10/- each				
Opening balance	30,00,600	300.06	30,00,600	300.06
Issued during the year	-	-	-	-
Closing balance	30,00,600	300.06	30,00,600	300.06

(c) Detail of the rights, preferences and restrictions attaching to each class of shares outstanding Equity shares of ₹10/- each:

The Company has only one class of equity shares, having a par value of Rs.10/-. The holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to approval by the shareholders at the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive any of the remaining assets of the Company, after distribution to all other parties concerned. The distribution will be in proportion to number of equity shares held by the shareholders.

(d) Details of equity shares held by each shareholder holding more than 5% of shares:

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of Shares	% of shares	No. of Shares	% of shares
Yuken India Ltd	28,59,698	95.30%	28,59,698	95.30%
Suresh Kannan	1,40,600	4.69%	1,40,600	4.69%
Total	30,00,298	100.00%	30,00,298	100.00%

(e) Shareholding of Promotor

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of Shares	% of shares	No. of Shares	% of shares
Yuken India Ltd	28,59,698	95.30%	28,59,698	95.30%
Suresh Kannan	1,40,600	4.69%	1,40,600	4.69%
Total	30,00,298	100.00%	30,00,298	100.00%

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Particulars	As at March 31, 2026	As at March 31, 2025
Surplus in statement of profit and loss		
Profit/(loss)		
Opening balance	(207.22)	(168.04)
Additions during the period	(176.73)	(39.18)
Total	(383.95)	(207.22)



Kolben Hydraulics Limited

Summary of material accounting policies and other explanatory information for the year ended March 31, 2026 (cont'd)

CIN - U29119KA2007PLC043340

(All amounts are in Rupees in Lakhs except for share data or other wise stated)

12 Provisions (Non-current)

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for employee benefits:		
Gratuity	14.75	14.99
Total	14.75	14.99

13 Borrowings

Particulars	As at March 31, 2026	As at March 31, 2025
Loan from SMBC Bank	200.00	200.00
Total	200.00	200.00

Secured Working Capital loans from banks(Refer Note Below)

Particulars	As at March 31, 2026	As at March 31, 2025
Sumitomo Mitsui Banking Corporation	200	200

Notes:

(i) Security - Corporate Guarantee by Yuken India Limited

(ii) Terms of the SMBC Working Capital Loan - Uncommitted revolving facility

- Interest rate : 7.30 % p.a. reset quarterly

- Terms of repayment : 12 months

14 Trade payables

Particulars	As at March 31, 2026	As at March 31, 2025
(a) Total outstanding dues of creditors to micro enterprises and small enterprises	10.50	1.12
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises*	503.83	98.71
Total	514.33	99.83

* Includes payable to related party Rs. 472.27

Ageing of Trade Payables as at March 31, 2026

Particulars	Not Due	Outstanding for following periods from the due date				Totals
		Less than 1 year	1 to 2 years	2 to 3 years	More than 3 Years	
Undisputed trade payables						
MSME	10.50	-	-	-	-	10.50
Others	-	503.83	-	-	-	503.83
Disputed trade payables						
MSME	-	-	-	-	-	-
Others	-	-	-	-	-	-
Total	10.50	503.83	-	-	-	514.33

Ageing of Trade Payables as at March 31, 2025

Particulars	Not Due	Outstanding for following periods from the due date				Totals
		Less than 1 year	1 to 2 years	2 to 3 years	More than 3 Years	
Undisputed trade payables						
MSME	1.12	-	-	-	-	1.12
Others	18.73	79.93	0.05	-	-	98.71
Disputed trade payables						
MSME	-	-	-	-	-	-
Others	-	-	-	-	-	-
Total	19.85	79.93	0.05	-	-	99.83



Kolben Hydraulics Limited

Summary of material accounting policies and other explanatory information for the year ended March 31, 2026 (cont'd)

CIN - U29119KA2007PLC043340

(All amounts are in Rupees in Lakhs except for share data or other wise stated)

15 Other Financial Liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Interest Accrued but not Due	0.24	0.20
Employee Payables	6.51	8.56
Total	6.75	8.76

16 Other current liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Other payables:		
Statutory remittances (PT, ESI & TDS)	0.79	2.89
Advances from customers	2.26	-
Advances received from Related Parties	183.64	1,109.30
Total	186.69	1,112.19

17 Provisions (Current)

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for employee benefits:		
Bonus	1.24	6.05
Compensated absence	11.37	11.89
Total	12.61	17.94

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Kolben Hydraulics Limited**Summary of material accounting policies and other explanatory information for the year ended March 31, 2026 (cont'd)**

CIN - U29119KA2007PLC043340

(All amounts are in Rupees in Lakhs except for share data or other wise stated)

18 Revenue from operations

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Sale of products	1,098.97	1,387.07
Sale of services	88.23	64.69
Total	1,187.20	1,451.76

The company has no unsatisfied performance obligation resulting from sale of products and services. No adjustment made to the contract price on account of refunds, credits, price concession, incentive or performance bonus.

19 Other income

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Packing and Forwarding Charges Collected	2.89	4.10
Interest on Income tax refund	0.44	0.19
Liability no longer required write back	0.04	5.38
Total	3.37	9.67

20 Cost of materials consumed

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Opening Stock	26.14	7.41
Add: Purchases	769.31	1,736.02
	795.45	1,743.43
Closing Stock	33.74	26.14
Total	761.71	1,717.29

21 Changes in inventories of finished goods, work in progress and stock-in-trade

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Inventories at the end of the year:		
Finished goods	550.94	906.61
Work-in-progress	1.55	1.22
	552.49	907.83
Inventories at the beginning of the year:		
Finished goods	906.61	486.64
Work-in-progress	1.22	-
	907.83	486.64
Net (increase) / decrease	355.34	(421.19)

22 Employee benefit expenses

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Salaries and wages	77.65	88.79
Contributions to provident and other funds	7.38	10.23
Staff welfare Expenses	2.66	2.33
Total	87.69	101.35



Kolben Hydraulics Limited

Summary of material accounting policies and other explanatory information for the year ended March 31, 2026 (cont'd)

CIN - U29119KA2007PLC043340

(All amounts are in Rupees in Lakhs except for share data or other wise stated)

23 Finance cost

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Interest on working capital loan	15.28	17.80
Guarantee Commission	2.00	2.00
Total	17.28	19.80

24 Depreciation and Amortisation

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Depreciation on Tangible Assets	12.47	11.92
Amortisation on Intangible Assets	5.00	5.00
Total	17.47	16.92

25 Other expenses

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Sub-contracting charges	10.43	11.18
Communication Expenses	1.46	1.49
Power and fuel	6.48	5.76
Rates and Taxes	2.50	2.43
Exchange Loss (Net)	9.75	4.72
Insurance	0.20	0.19
Rent	1.61	1.45
Repair and Maintenance		
- Machinery	0.29	0.64
- Others	1.66	1.23
Printing & Stationery	1.25	1.20
Freight, Transport & Other Charges	3.37	4.70
Legal and Professional charges	10.93	11.57
Payment to auditors	3.05	2.79
Travelling & Conveyance	20.40	23.82
Sales Promotion Expenses	1.16	1.30
Bad Debts Written Off	3.87	0.25
Provision for doubtful debts	1.50	-
Bank Charges	2.80	1.08
Miscellaneous Expenses	2.04	1.69
Total	84.75	77.48

26 Tax expense

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Deferred tax	43.06	(11.04)
Total	43.06	(11.04)

27 Payment to Auditors

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Statutory Audit	1.61	1.61
Tax Audit	0.33	0.33
Others	1.11	0.85
Total	3.05	2.79



Kolben Hydraulics Limited**Summary of material accounting policies and other explanatory information for the year ended March 31, 2026 (cont'd)**

CIN - U29119KA2007PLC043340

(All amounts are in Rupees in Lakhs except for share data or other wise stated)

28. Expenditure in Foreign Currency

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
28.1 Expenditure in foreign currency:		
Raw materials & Components	467.13	319.10
Foreign Travel	-	-
28.2. Estimated amount of contracts remaining to be executed on capital account and not provided for	-	-

29. Contingent liabilities (to the extent not provided for)

There are no capital commitments and contingent liabilities as on March 31, 2026 and March 31, 2025.

30. Foreign Currency Exposure

Foreign Currency Exposure as at March 31, 2026 and as at March 31, 2025 that have not been hedged by a derivative instrument or other wise:

Particulars	31 March 2026		31 March 2025	
	Amount	Amount in Foreign Currency	Amount	Amount in Foreign Currency
Receivables -EURO	13.04	0.12	59.39	0.64
Total	13.04	0.12	59.39	0.64
Payables- EURO	27.22	0.25	89.14	0.96
Total	27.22	0.25	89.14	0.96

31. Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

The management has identified certain enterprises which have provided goods and services to the Company and which qualify under the definition of 'Micro and Small Enterprises' as defined under Micro, Small and Medium Enterprises Development Act, 2006 ('the Act'). Accordingly the disclosure in respect of the amounts payable to such enterprises as at March 31, 2026 and March 31, 2025 have been made in the financial statements based on information available with the Company and relied upon by the auditors.

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	10.50	1.12
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(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	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-

32. CSR provision :-

As the company did not meet any of the criteria specified in Section 135 (1) of the Companies act, 2013, hence provisions of Section 135 are not applicable.

33. Segment reporting

The company's predominant risks and returns are from the segment of hydraulic components and sub-assemblies for use in hydraulic applications, which constitutes a single business segment and is governed by similar set of risks and returns. The operations of the Company primarily cater to the market in India, which the management views as a single segment. The management monitors the operating results of its single segment for the purpose of making decisions about resource allocation and performance assessment.



Kolben Hydraulics Limited

Summary of material accounting policies and other explanatory information for the year ended March 31, 2026 (cont'd)

CIN - U29119KA2007PLC043340

(All amounts are in Rupees in Lakhs except for share data or other wise stated)

34. Employee benefits expenses**Defined contribution plans**

The company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident fund, which is a defined contribution plan. The Company has no obligations other than to make the specified contributions. The contributions are charged to the Statement of Profit and Loss as they accrue. The amount recognised as an expense towards contribution to Provident fund for the year aggregated to Rs. 7.38 lakhs (Previous year :Rs.10.23 lakhs).

Defined benefit plans**Gratuity**

The Company offers the following employee benefit schemes to its employees:

(i) Gratuity (included in Note 22 Employee benefits expense)

(ii) Long-term compensated absences (included in Note 22 Employee benefits expense)

The following table sets out the funded status of gratuity and the amount recognised in the financial statements:

Particulars	As at March 31, 2026	As at March 31, 2025
Fair value of plan assets	-	-
Present value of obligations	14.75	-
Liability/(Asset) recognised in the balance sheet	14.75	-

Classification into current and non-current

The liability/(asset) in respect of each of the plan comprises of the following current and non-current portions:

Particulars	Non -current		Current	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Gratuity	14.75	-	-	-
Totals	14.75	-	-	-

Movement in present values of defined benefit obligations		Gratuity	
Particulars		As at March 31, 2026	As at March 31, 2025
Defined benefit obligation at the beginning of the year		-	-
Current service cost		1.60	-
Interest Expense or Cost		-	-
Re-measurement (or Actuarial) (gain) / loss arising from:		-	-
Past Service Cost		13.15	-
Benefits Paid		-	-
Present value of defined benefit obligation at year end		14.75	-

Expense recognised in statement of profit and loss		Gratuity	
Particulars		As at March 31, 2026	As at March 31, 2025
Current service cost		1.60	-
Past service cost		13.15	-
Net interest cost / (income) on the net defined benefit liability / (asset)		-	-
Opening Provision for Gratuity		14.99	-
Total expense recognised in the statement of profit and loss		(0.24)	-



Kolben Hydraulics Limited

Summary of material accounting policies and other explanatory information for the year ended March 31, 2026 (cont'd)

CIN - U29119KA2007PLC043340

(All amounts are in Rupees in Lakhs except for share data or other wise stated)

Principal actuarial assumptions

The following are the principal actuarial assumptions at the reporting date (expressed as weighted averages) for compensated leave absences:

Particulars	Gratuity		Compensated absence	
	As at	As at	As at	As at
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Discount rate	7.45%	-	7.25%	-
Attrition rate	2.00%	-	2.00%	-
Future salary increases	4.00%	-	4.00%	-
Retirement age	58 years	-	58 years	-

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market. Assumptions regarding future mortality are based on published statistics and mortality tables. The calculation of the defined benefit obligation is sensitive to the mortality assumptions.

Sensitivity analysis

A quantitative sensitivity analysis for significant assumption is as shown below:

Particulars	As at	As at
	March 31, 2026	March 31, 2025
Impact of change in the discount rate		
Impact due to increase of 1%	(0.51)	-
Impact due to decrease of 1%	0.61	-
Impact of change in the salary growth rate		
Impact due to increase of 1%	0.62	-
Impact due to decrease of 1%	(0.53)	-
Impact of change in the attrition rate		
Impact due to increase of 50%	0.12	-
Impact due to decrease of 50%	(0.15)	-
Impact of change in the mortality rate		
Impact due to increase of 10%	0.00	-
Impact due to decrease of 10%	(0.00)	-



Kolben Hydraulics Limited
Summary of material accounting policies and other explanatory information for the year ended March 31, 2026 (cont'd)
CIN - U29119KA2007PLC043340

(All amounts are in Rupees in Lakhs except for share data or other wise stated)

35. Earnings Per share

Particulars	March 31, 2026	March 31, 2025
Net profit/(loss) after Tax	(176.73)	(39.18)
Weighted average number of equity shares (No's)	30,00,600	30,00,600
Earnings per share from operations - Basic and diluted	(5.89)	(1.31)
Nominal Value of Equity Shares	10	10

36. Related Party Disclosures

Party where the Control Exists	Name of Related Party
Enterprises and their relatives exercise significant influence	M/s Yuken India Ltd
Fellow Associate	M/s Sai India Ltd
Fellow Subsidiary	M/s Coretec Engineering India Pvt Ltd M/s Grotek Enterprises India Pvt Ltd
Relative of a Director	Mrs. S K Vijaya
Key Managerial Personnel	Mr. V Suresh Kannan

A. Transactions with related party during the period

Particulars	Year ended	
	March 31, 2026	March 31, 2025
Enterprises and their relatives exercise significant influence		
M/s Yuken India Ltd		
Sales & Services	306.67	213.72
Purchase of Goods and Services	168.43	1,370.26
Rent paid	1.90	1.71
Fellow Subsidiary		
M/s Grotek Enterprises India Pvt Ltd		
Purchase of Goods and Services	1.75	1.16
Sales & Services	-	0.39
Fellow Associate		
M/s Sai India Limited		
Purchase	5.78	19.75
Key Management Personnel		
Mr. Suresh Kannan		
Remuneration paid during the year	27.14	32.14
Mr. Suresh Kannan		
Vehicle Maintenance	-	0.22
Fuel Expense	4.12	3.73

B. Account balances with related at the end of the year

Particulars	As at	
	March 31, 2026	March 31, 2025
Balances at the end		
M/s Yuken India Ltd - Trade Payables	472.27	-
M/s Yuken India Ltd - Advance from Customer	183.64	1,109.30
Mr. Suresh Kannan - Employee payables	2.00	0.79
Corporate Guarantee		
M/s Yuken India Ltd	200.00	200.00



Kolben Hydraulics Limited

Summary of material accounting policies and other explanatory information for the year ended March 31, 2026 (cont'd)

CIN - U29119KA2007PLC043340

(All amounts are in Rupees in Lakhs except for share data or other wise stated)

37. Financial Ratios

Ratio	Numerator	Denominator	Current Period	Previous Period	% Variance	Reason for the variances
Current ratio (times)	Current assets	Current liabilities	0.82	0.97	-15.59%	
Debt-equity ratio (times)	Total Debt	Shareholder's Equity	(2.38)	2.15	-210.67%	refer (a) below
Debt service coverage ratio (times)	Earnings available for debt service	Debt Service	(0.64)	(0.01)	6221.80%	refer (b) below
Return on equity (%)	Net Profits after taxes	Average Shareholder's Equity	(2.11)	(0.42)	399.14%	refer (a) below
Inventory turnover ratio (times)	COGS	Average inventory	1.47	1.73	-15.05%	
Trade receivables turnover ratio (times)	Revenue	Average Trade Receivable	5.79	6.30	-8.14%	
Trade payable turnover ratio (times)	Purchases of services and other expenses	Average Trade Payables	2.78	28.93	-90.39%	refer (c) below
Net capital turnover ratio (times)	Revenue	Working Capital	(7.04)	(31.13)	-77.39%	refer (d) below
Net profit ratio (%)	Net Profit	Revenue	(0.15)	(0.03)	451.53%	refer (a) below
Return on capital employed (%)	Earning before interest and taxes	Capital Employed	1.39	(0.54)	-356.46%	refer (a) below
Return on investment (%)	Income generated from investments	Time weighted average investments	No investments	No investments	NA	

Earning for debt service = Net profit after taxes + Non-cash operating expenses like depreciation and other amortisations + Interest + other adjustments like loss on sale of PP&E etc

Debt service = Interest and principal repayments including lease payments.

Shareholders equity = Contributed capital + retained earnings

Reason for the variances:

(a) Negative networth on account losses incurred during the year.

(b) Variance is on account of higher losses incurred during the year as compared to the previous year

(c) Ratio declined primarily due to increase in trade payables.

(d) The ratio has declined on account of decrease in receivables and inventory levels, resulting in a wider negative working capital position as compared to the previous year.



Kolben Hydraulics Limited

Summary of material accounting policies and other explanatory information for the year ended March 31, 2026 (cont'd)

CIN - U29119KA2007PLC043340

(All amounts are in Rupees in Lakhs except for share data or other wise stated)

38. Fair value measurements

(i) Financial instruments by category

The carrying value and fair value of financial instruments by categories as of March 31, 2026 were as follows:

Particulars	Note	Amortised	FVTPL	FVTOCI
Assets :				
Cash and cash equivalents	8	20.14	-	-
Other financial assets				
(i) Security deposits	5a	0.10	-	-
Trade receivables	7	83.11	-	-
Total		103.35	-	-
Liabilities:				
Other financial liabilities				
(i) Trade payables	14	514.33	-	-
Total		514.33	-	-

The carrying value and fair value of financial instruments by categories as of March 31, 2025 were as follows:

Particulars	Note	Amortised	FVTPL	FVTOCI
Assets :				
Cash and cash equivalents	8	16.00	-	-
Other financial assets				
(i) Security deposits	5a	0.10	-	-
Trade receivables	7	327.16	-	-
Total		343.26	-	-
Liabilities:				
Other financial liabilities				
(i) Trade payables	14	99.83	-	-
Total		99.83	-	-

The management assessed that the fair value of cash and cash equivalents, trade receivables, loans, other financial assets, trade payables, working capital loans and other financial liabilities approximate the carrying amount largely due to short-term maturity of this instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

(ii) Fair value of financial assets and liabilities measured at amortised cost

The management assessed that for amortised cost instruments, fair value approximate largely to the carrying amount.

39. Fair value hierarchy

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three Levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: quoted prices (unadjusted) in active markets for financial instruments.

Level 2: the fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data rely as little as possible on entity specific estimates.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.



Kolben Hydraulics Limited**Summary of material accounting policies and other explanatory information for the year ended March 31, 2026 (cont'd)**

CIN - U29119KA2007PLC043340

(All amounts are in Rupees in Lakhs except for share data or other wise stated)

The carrying value of financial instruments by categories as follows:

Particulars	Note No.	March 31, 2026	March 31, 2025
Financials measured at amortized costs:			
Financial assets			
Trade receivable ⁴	7	83.11	327.16
Cash and cash equivalents and other bank balances			
Cash and cash equivalents [#]	8	20.14	16.00
Financial liabilities measured at amortized cost:			
Trade Payables [*]	14	514.33	99.83

*The carrying value of these accounts are considered to be the same as their fair value, due to their short term nature.

Accordingly, these are classified as level 3 of fair value hierarchy.

These accounts are considered to be highly liquid/ liquid and the carrying amount of these are considered to be the same as their fair value.

40. Financial risk management**Risk management framework**

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The primary market risk to the Company is foreign exchange exposure risk. The Company uses derivative financial instruments to mitigate foreign exchange related risk exposures. The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer.

The Company's risk management activity focuses on actively securing the Company's short to medium-term cash flows by minimising the exposure to volatile financial markets. Long-term financial investments are managed to generate lasting returns.

The Company does not actively engage in the trading of financial assets for speculative purposes nor does it write options. The most significant financial risks to which the Company is exposed are described below.

(A) Credit risk analysis

Credit risk is the risk that a counterparty fails to discharge an obligation to the Company, resulting in a financial loss. The Company is exposed to this risk for various financial instruments. The Company's maximum exposure to credit risk is limited to the carrying amount of financial assets, as summarised below:

Assets under credit risk	As at March 31, 2026	As at March 31, 2025
Cash and cash equivalents	20.14	16.00
Security deposits	0.10	0.10
Trade receivables	83.11	327.16
	103.35	343.26

A1 Trade and other receivables

Trade receivables are typically unsecured and are derived from revenue earned from customers (Related Parties) primarily located in India. Credit risk has always been managed by the Company through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business. Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. Historical trends of impairment of trade receivables do not reflect any significant credit losses. Given that the macro economic indicators affecting customers of the Company have not undergone any substantial change, the Company expects the historical trend of minimal credit losses to continue. Further, management believes that the unimpaired amounts that are past due by more than 20 days are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk. The carrying amounts of trade receivables as disclosed in Note 7 represent the maximum credit risk exposure.

Particulars	Gross receivables	ECL/impairment	Net trade receivables
As at March 31, 2026	84.61	(1.50)	83.11
As at March 31, 2025	327.16	-	327.16

A2 Cash and cash equivalents

The credit risk for cash and cash equivalents, and derivative financial instruments is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

Financial assets that are neither past due nor impaired

Cash and cash equivalents, advances recoverable, loans and advances to employees, security deposit and other financial assets are neither past due nor impaired.

Financial assets that are past due but not impaired

There is no other class of financial assets that is past due but not impaired.



Kolben Hydraulics Limited

Summary of material accounting policies and other explanatory information for the year ended March 31, 2026 (cont'd)

CIN - U29119KA2007PLC043340

(All amounts are in Rupees in Lakhs except for share data or other wise stated)

(B) Liquidity risk

Liquidity risk is that the Company might be unable to meet its obligations. The Company manages its liquidity needs by monitoring scheduled debt servicing payments for long-term financial liabilities as well as forecast cash inflows and outflows due in day-to-day business. The data used for analysing these cash flows is consistent with that used in the contractual maturity analysis below. Liquidity needs are monitored in various time bands, usually on a month on month basis. Long-term liquidity needs for a 360-day lookout period are identified monthly. Net cash requirements are compared to available borrowing facilities in order to determine headroom or any shortfalls. This analysis shows that available borrowing facilities are expected to be sufficient over the lookout period.

The Company's objective is to maintain cash and marketable securities to meet its liquidity requirements for 30-day periods at a minimum. This objective was met for the reporting periods. Funding for long-term liquidity needs is additionally secured by an adequate amount of committed credit facilities and the ability to sell long-term financial assets.

The Company's non-derivative financial liabilities have contractual maturities (including interest payments where applicable) as summarised below:

Maturities of financial liabilities

As at March 31, 2026	Less than 1 year	1 year to 5 years	More than 5 years
Trade payables	514.33	-	-
	514.33	-	-

As at March 31, 2025	Less than 1 year	1 year to 5 years	More than 5 years
Trade payables	99.83	-	-
	99.83	-	-

(C) Market risk

Market risk is the risk of loss of future earnings or fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign exchange rates and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables. The company has no transactions which would carry any interest rate risk or foreign currency risk in regards to fair value or future cash flows of financial instruments.

41. Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Accounting profit before tax and exceptional item	(133.67)	(50.22)
Tax on accounting profit at statutory income tax rate [27.82%] (PY 27.82%)	-	-
Reconciling items:		
Tax effect on permanent non-deductible expenses	-	-
Tax adjustments of Prior Years	-	-
Others	43.06	(11.04)
At the effective income tax rate of 27.82% (PY 27.82%)	43.06	(11.04)
Income tax expense reported in the Statement of Profit and Loss	43.06	(11.04)



Kolben Hydraulics Limited

Summary of material accounting policies and other explanatory information for the year ended March 31, 2026 (cont'd)

CIN - U29119KA2007PLC043340

(All amounts are in Rupees in Lakhs except for share data or other wise stated)

42. Additional Regulatory Information

- a) The Company has not revalued its property, plant and equipment (including the right of use assets) and intangible assets.
- b) No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.
- c) The Company has not been declared as a wilful defaulter by any bank or financial institution or other lenders.
- d) Compliance with clause (87) of section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017 with respect to layer of companies are not applicable to the company.
- e) The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956
- f) The Company does not have any charges or satisfaction which is yet to be registered with Registrar of companies beyond the statutory period.
- g) The Company has not entered into any scheme of arrangement as per section 230 to 237 of the Companies Act, 2013.
- h) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the intermediary shall a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- i) 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.
- j) The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- k) The Company have not traded or invested in Crypto currency or Virtual currency during the financial year.

43. Previous year figures

Previous year figures have been regrouped / reclassified wherever necessary to confirm to current year's classification / disclosure.

for and on behalf of the Board of directors of

Kolben Hydraulics Limited

CIN - U29119KA2007PLC043340



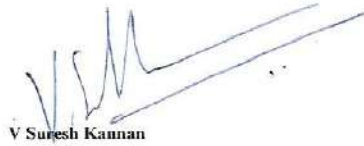
H M Narasinga Rao

Director

DIN: 00529717

Place: Bangalore

Date: May 18, 2026



V Suresh Kannan

Director

DIN: 03280922

Place: Bangalore

Date: May 18, 2026



Independent Auditor's Report

To the Members of Kolben Hydraulics Limited

Report on the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of Kolben Hydraulics Limited (*"the Company"*) which comprises the Balance Sheet as at March 31, 2026, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and Notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 (*"the Act"*) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (*"Ind AS"*) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, and its loss, total comprehensive income, its cash flows and the changes in equity 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 Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Ind AS financial statements.

Management's responsibility for the Ind AS 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the Indian Accounting Standards (Ind AS) and accounting principles generally accepted in India, 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 Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.



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

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibility for the Audit of the Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 Ind AS financial statements.

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

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls 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 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 Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



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

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

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

Report on Other Legal and Regulatory Requirements

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

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 except for the matters stated in the paragraph 143(3)(h)(vi) below on reporting under Rule 11(g).
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards 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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the matter to be included in the Auditor's report in accordance with the requirement of section 197(16) of the Act, as amended, in our opinion and to best of our information and according to the explanation given to us, the Company has paid remuneration to its directors during the year in accordance with the provisions of section 197 of the Act.



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- 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 except for the matter as stated in the paragraph 143(3)(b) and paragraph 143(3)(h)(vi), in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv.
- a. The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person or entity, including foreign entities ('the 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 ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
 - b. The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entities ('the 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; and
 - c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our attention that causes us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
- v. The Company has not declared or paid any dividend during the year ended March 31, 2026.
- vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2026, which has a feature of recording audit trail (edit log) facility and the same has not operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with. The proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 was applicable to the Company w.e.f. April 1, 2023, however, the audit trail feature was enabled in the accounting software later than the said date. Further, for the period during which the audit trail feature was enabled and operational the audit trail has been preserved by the Company as per the statutory requirements for record retention.



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2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

For V K A N & Associates
Chartered Accountants
ICAI Firm Registration No 014226S



Vishwas Deshmukh

Partner

Membership No. 230806



Place: Bangalore
Date: May 18, 2026
UDIN: 26230806RHOVSX8839

V K A N & Associates

Chartered Accountants

Annexure A to the Independent Auditor's Report

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

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

We have audited the internal financial controls over financial reporting of Kolben Hydraulics Limited ("the Company") as of March 31, 2026 in conjunction with our audit of the 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 company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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



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Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 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 internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India

For V K A N & Associates
Chartered Accountants
ICAI Firm Registration No 014226S



Vishwas Deshmukh
Partner
Membership No. 230806



Place: Bangalore
Date: May 18, 2026

V K A N & Associates

Chartered Accountants

Annexure B to the Independent Auditor's Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Kolben Hydraulics Limited of even date)

- (i) In respect of the Company's Property, Plant and Equipment and Intangible Assets:
- (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
 - (B) The Company has maintained proper records showing full particulars of intangible assets.
 - (b) The fixed assets were physically verified during the year by the Management with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) The Company does not own any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee). Accordingly, reporting under clause 3(i)(c) of the Order is not applicable to the Company.
 - (d) The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.
 - (e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Accordingly, reporting under clause 3(i)(e) of the Order is not applicable to the Company.
- (ii)
- (a) The management has conducted physical verification of inventory at reasonable intervals during the year, except for inventory lying with third parties. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed.
 - (b) The Company has not been sanctioned working capital limits in excess of Rs. 5 crores in aggregate by banks or financial institutions on the basis of security of current assets during any point of time of the year. Accordingly, reporting under clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) The Company has not made any investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or any other parties during the year. Accordingly, reporting under clause 3(iii) of the Order is not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not entered into any transaction covered under sections 185 and 186 of the Act. Accordingly, reporting under clause 3(iv) of the Order is not applicable to the Company.



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- (v) The Company has not accepted any deposits or there is no amount which has been considered as deemed deposit within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.
- (vi) According to the records produced and information given to us, the provisions of Section 148(1) of the Companies Act, regarding maintenance of cost records is not applicable to the company.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
 - (a) In our opinion, and according to the information and explanations given to us, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities by the Company, though there have been slight delays in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.
 - (b) According to the information and explanations given to us, there are no statutory dues referred to in subclause (a) above that have not been deposited with the appropriate authorities on account of any dispute as on March 31, 2026.
- (viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been recorded in the books of accounts.
- (ix)
 - (a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.
 - (b) According to the information and explanations given to us including representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a wilful defaulter by any bank or financial institution or other lender.
 - (c) In our opinion and according to the information and explanations given to us, money raised by way of term loans were applied for the purposes for which these were obtained.
 - (d) In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have not been utilised for long term purposes.
 - (e) According to the information and explanations given to us and 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 associate companies.
 - (f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its associate companies.



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- (x)
- (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, reporting under clause 3 (x) (a) of the Order is not applicable to the company.
 - (b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- (xi)
- (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the period covered by our audit.
 - (b) According to the information and explanation given to us, no report under sub-section (12) of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rule, 2014 with the Central Government.
 - (c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.
- (xiv) According to the information and explanations given to us, the Company is not required to have an internal audit system under section 138 of the Act and consequently, does not have an internal audit system. Accordingly, reporting under clause 3(xiv) of the Order is not applicable to the Company.
- (xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with them and accordingly, provisions of section 192 of the Act are not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clause 3(xvi) of the Order is not applicable to the Company.



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- (xvii) The Company has incurred cash losses amounting to Rs.110.83 Lakhs in the current financial year and had incurred Rs. 28.33 Lakhs in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the plans of the Board of Directors and management, we are of the opinion that no material uncertainty exists as on the date of the audit report that Company is 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) According to the information and explanations given to us, the Company does not fulfill the criteria as specified under section 135(1) of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and according, reporting under clause (xx) of the Order is not applicable to the Company.
- (xxi) The reporting under clause (xxi) is not applicable in respect of audit of financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For V K A N & Associates

Chartered Accountants

ICAI Firm Registration No 014226S



Vishwas Deshmukh

Partner

Membership No. 230806



Place: Bangalore

Date: May 18, 2026