

INDEPENDENT AUDITORS' REPORT

To the Members of KOEL FLUID DYNAMICS PRIVATE LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the Financial Statements of KOEL FLUID DYNAMICS PRIVATE LIMITED formerly known as La-Gajjar Machineries Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2026, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of changes in Equity and Statement of Cash Flows for the year then ended, and notes to the 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 Financial Statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, and its profit (including Other Comprehensive gain), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial Statements for financial year ended March 31, 2026. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter provided in that context.



We have determined the matter described below to be the key audit matter to be communicated in our report.

Business combination:

During the year, the Company has acquired the Business to Customer ("B2C") business segment from Kirloskar Oil Engines Limited (Holding Company) on a going concern basis pursuant to the Business Transfer Agreement dated 10 October 2025, by way of a slump sale.

The accounting for the aforesaid business acquisition is complex as it required the company to restate prior year figures in accordance with requirements of Ind AS 103 - "Business Combinations" along with explanatory disclosures. This also resulted in significant amount of audit effort. Accordingly, we have determined this matter to be a key audit matter.

The disclosures relating to the business acquisition are included in Notes 38.5.21 (Business Combination) to the Financial Statements.

Our audit methodology included the following:

- We read and understood the Business transfer agreement pursuant to which the business acquisition was carried out along with necessary regulatory approvals required;
- We evaluated the appropriateness of the accounting treatment followed by the Company in this regard, with reference to the requirements of the accounting principles generally accepted in India, including IND AS;
- We assessed the methodology applied in determining the transaction price;
- We examined the disclosures in Notes 38.5.21 (Business Combination) of the financial statements for adequacy and appropriateness, including disclosures of the impact of restatement of prior year figures.
- Considered report of other independent auditor for restatement of figures of previous year and for period up to the date of actual transfer.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the Board of Directors report but does not include the Financial Statements and our auditor's report thereon, which we obtained prior to the date of this auditor's report.

Our opinion on the Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent

with the Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act 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 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 Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, the 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 Responsibilities for the Audit of the 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 Financial Statements.



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

We also;

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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



From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Financial Statements for the financial year ended March 31, 2026 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

The financial statements of the company include financial information relating to acquired B2C Business Segment from Kirloskar Oil Engines Limited (KOEL) for the year ended March 31, 2025. Financial Statements of KOEL for March 31, 2025, which includes B2C business segment referred above, were audited by another auditor who expressed unmodified opinion vide audit report dated May 14, 2025. Additionally, such other auditor has issued a special purpose report dated April 24, 2026 confirming the transactions relating to acquired B2C business are accurately derived from the financial statement and are subjected to review / audit by them for the period ended on October 10, 2025. We have relied on such reports for the information included in accompanying Financial Statements. Refer note 38.5.21 of the accompanying financial statements for details of the business combination.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A; a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in equity and the Statement of Cash Flow Statement dealt with by this Report are in agreement with the books of account.



- d) In our opinion, the aforesaid Financial Statements comply with Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 as amended.
- e) On the basis of the written representations received from the directors as on March 31, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g) As required by section 197 (16) of the Act; in our opinion and according to information and explanation provided to us, the remuneration paid by the company to its directors is in accordance with the provisions of section 197 of the Act and remuneration paid to directors is not in excess of the limit laid down under this section.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company has disclosed the impact of pending litigations on its financial position in its Financial Statement - Refer Note 38.5.1 to the Financial Statement
 - (ii) The Company did not have any long-term contracts including derivative contracts as at March 31, 2026.
 - (iii) There are no amounts required to be transferred, to the Investor Education and Protection Fund by the Company.
 - (iv) (a) The management has represented to us that, to the best of its knowledge and belief, other than as disclosed in the note 38.5.18 (a) to the Financial Statements, if any, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities



identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) the management has represented to us, that, to the best of its knowledge and belief, other than as disclosed in the note 38.5.18 (b) to the Financial Statements, if any, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the information and explanation given to us and audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations made by the management and as mentioned under sub-clause (iv)(a) and (iv)(b) above contain any material misstatement.

- (v) The Company has declared and paid preference dividend during the year in accordance with Section 123 of the Act, as applicable.
- (vi) Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For P G BHAGWAT LLP
Chartered Accountants
Firm Registration Number: 101118W/W100682



Nachiket Deo
Partner
Membership No: 117695
UDIN: 26117695TJEKYL6158
Place: Pune
Date: April 27, 2026



Annexure A to Independent Auditors' Report (CARO)

Referred to in paragraph 1 of our "Report on Other Legal and Regulatory Requirements" on even date

(i)	(a)	(A)	The Company is maintaining proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment.
		(B)	The Company is maintaining proper records showing full particulars of intangible assets.
	(b)	The Property, Plant & Equipment of the Company are physically verified by the Management at reasonable intervals, which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. Pursuant to the program, a portion of the Property, Plant & Equipment has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.	
	(c)	The Company does not own any immovable properties as disclosed in Note on Property, Plant & Equipment to the financial statements. Therefore, the provisions of Clause 3(i) (c) of the said Order are not applicable to the Company.	
	(d)	The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets during the year.	
(ii)	(e)	According to the information and explanations provided to us there are no proceedings which have been initiated or are pending against the company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) and rules made thereunder. Therefore, reporting under clause 3(i)(e) of the order is not applicable.	
	(a)	The physical verification of inventory excluding stocks with third parties has been conducted at reasonable intervals by the Management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them. In our opinion and based on the policy adopted by the management, the coverage and procedure of such verification is appropriate. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory and have been appropriately dealt with in the books of accounts.	

	(b)	According to the information and explanations provided to us, the company has been sanctioned working capital limits in excess of five crore rupees during the year, in aggregate, from banks or financial institutions on the basis of security of current assets. The management of the company has provided us with the quarterly returns or statements which they have represented to us have been filed by the company with their banks or financial institutions. In our opinion, these quarterly returns or statements are in agreement with the books of account of the Company.
(iii)	(a) to (f)	The company during the year has not made investments 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 or any other parties. Hence reporting under Clause (iii)(a), (iii)(b), (iii)(c), (iii)(d), (iii)(e) and (iii)(f), of the said Order are not applicable to the Company.
(iv)		In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it.
(v)		The Company has not accepted any deposits or amounts which are deemed to be deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
(vi)		Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
(vii)	(a)	According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues in respect of income tax, employees' state insurance, provident fund, duty of customs, duty of excise, value added tax, Goods and Services Tax, cess and is regular in depositing the undisputed statutory dues including employees' state insurance, provident fund, duty of customs, duty of excise, Goods & Services Tax, Cess and other material statutory dues, as applicable, with the appropriate authorities.



(b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of dues of income tax, duty of customs and duty of excise duty, Goods and Service Tax, as at 31st March, 2026 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount under dispute not deposited (Rs. In Lakhs)**	Period to which the amount relates	Forum where the dispute is pending
Sales Tax	Demand for disallowance of claims	253.66	2016-17 2017-18	Sales Tax Tribunal
GST	Demand for disallowance of claims	11.01	2020-21	Commissioner Appeal
GST	Demand for short payment of tax/excess availment of ITC and E - way bill compliance	23.77	2021-22	Commissioner Appeal
Excise	Demand of 6% differential excise duty	1,482.06	Jun-14 - May-16 Jun-16 - Jun-17	CESTAT - Ahmedabad
Income Tax	Demand for disallowance of claims	10.82	2023-24	Commissioner of Income Tax

** Net of amounts paid under protest / pre-deposits aggregating to ₹161.49 lakhs.



(viii)		In terms of the information and explanations given to us and the books of account and records examined by us, the Company has not surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. Hence reporting under clause 3(viii) of the order is not applicable
(ix)	(a)	According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender as at the balance sheet date.
	(b)	According to the information and explanations given to us and on the basis of our audit procedures, we report that the company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
	(c)	According to the information and explanations given to us and on the basis of our audit procedures, the Company has not availed any term loan during the financial year.
	(d)	According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that funds raised on short-term basis have, prima facie, not been used for long-term purposes by the company during the year.
	(e)	According to the information and explanations given to us and on an overall examination of the financial statements of the company, we report that the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
	(f)	According to the information and explanations given to us and procedures performed by us, we report that the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
(x)	(a)	The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) during the year. Accordingly, the provisions of Clause 3(x)(a) of the Order are not applicable to the Company.



	(b)	The Company has issued shares on a private placement basis, in compliance with the requirements of Section 42 and/or Section 62 of the Act. The company has made such private Placement for the purpose of acquisition of Business on a Going Concern basis. Since the shares have been issued as consideration against acquisition of Business, no separate reporting on utilization of funds is required. The company has not made any preferential allotment fully or partly or optionally convertible debentures during the year. Accordingly, related provision of clause 3(x)(b) of the order is not applicable to that extent.
(xi)	(a)	During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or on the Company noticed or reported during the year, nor have we been informed of any such case by the Management.
	(b)	During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, report in the form ADT-4 as specified under sub-section (12) of section 143 of the Companies Act has not been filed. Accordingly reporting under clause 3(xi)(b) of the order is not applicable.
	(c)	During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us and as represented to us by the management, there are no whistle blower complaints received by the company during the year.
(xii)		As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
(xiii)		The Company has entered transactions with related parties in compliance with the provisions of Section 188 of the Act. The details of related party transactions have been disclosed in the financial statements as required under Ind AS 24, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. Further, the Company is not required to constitute an Audit Committee under Section 177 of the Act, and accordingly, to this extent, the provisions of Clause 3(xiii) of the Order are not applicable to the Company.



(xiv)	(a)	In our opinion and based on our examination, the company has an internal audit system commensurate with the size and nature of its business.
	(b)	We have considered the internal audit reports of the company issued till date, for the period under audit.
(xv)		According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
(xvi)	(a)	According to the information and explanation given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.
	(b)	According to the information and explanations given to us and procedures performed by us, we report that the Company has not conducted any Non-Banking Financial or Housing Finance activities during the year. Therefore, reporting under clause 3(xvi)(b) of the order is not applicable.
	(c)	According to the information and explanations given to us and procedures performed by us, the Company is not Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India, hence reporting under clause 3(xvi)(c) of the order is not applicable.
	(d)	Based on information and explanation given to us and as represented by the management, the Group has One Core Investment Companies (CIC)s as part of the Group which is a subsidiary of Holding Company of the reporting entity.
(xvii)		The Company has not incurred cash losses during current financial year and had not incurred cash losses during immediately preceding financial year.
(xviii)		There has been no resignation by statutory auditors during the year hence reporting under clause 3(xviii) of the order is not applicable.



(xix)		According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
(xx)	(a)	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 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) in respect of ongoing projects requiring a transfer to a Special Account in compliance with sub-section (6) of Section 135 of the Act. Accordingly, reporting under clause 3(xx)(b) of the Order is not applicable for the year.

For P G BHAGWAT LLP

Chartered Accountants

Firm Registration Number: 101118W/W100682



Nachiket Deo
Partner

Membership No: 117695

UDIN: 26117695TJEKYL6158

Pune

Date: April 27, 2026



Annexure B to the Independent Auditors' Report

Referred to in paragraph 2 (f) under the heading, "Report on Other legal and Regulatory Requirements" of our report on even date:

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

We have audited the internal financial controls with reference to the Financial Statements of **KOEL Fluid Dynamics Private Limited** ("the Company") as of March 31, 2026 in conjunction with our audit of 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 controls over financial reporting criteria established by the Company considering the essential components of internal controls 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 with reference to the financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, to the extent applicable to an audit of internal financial controls, 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 with reference to the financial statements 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 with reference to the financial statements and their operating effectiveness. Our audit of internal financial controls with reference to the financial statements included obtaining an understanding of internal financial controls with reference to the financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to the financial statements

A company's internal financial control with reference to the financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to the financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of the 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 unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to the financial statements

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



Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to the financial statements and such internal financial controls with reference to the financial statements 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 P G BHAGWAT LLP
Chartered Accountants
Firm Registration Number: 101118W/W100682



Nachiket Deo
Partner
Membership Number: 117695
UDIN: 26117695TJEKYL6158
Pune
Date: April 27, 2026



KOEL Fluid Dynamics Private Limited
(Formerly known as La-Gajjar Machineries Private Limited)

Balance Sheet as at 31 March 2026

Particulars	Note No.	₹ in Lakhs	
		As at 31 March 2026	As at 31 March 2025
ASSETS			
I. Non-current assets		16,435.82	18,229.99
(a) Property, plant and equipment	1	11,337.25	12,311.08
(b) Capital work-in-progress	1	155.37	78.01
(c) Right-of-use assets	1b	3,891.15	4,524.02
(d) Goodwill	2	127.07	253.64
(e) Other Intangible assets	2	36.31	114.40
(f) Intangible assets under development	2	106.37	78.17
(g) Financial assets			
(i) Investments	3	0.68	-
(ii) Other financial assets	4	619.41	543.93
(h) Deferred tax assets (net)	5	-	99.95
(i) Income tax assets (net)	6	162.21	185.04
(j) Other non-current assets	7	-	41.75
II. Current assets		41,134.81	25,566.88
(a) Inventories	8	9,904.62	9,903.10
(b) Financial assets			
(i) Trade receivables	9	20,805.77	12,341.52
(ii) Cash and cash equivalents	10a	4,900.85	2.06
(iii) Bank balance other than (ii) above	10b	1,219.23	1,226.81
(iv) Other financial assets	11	1,831.23	520.80
(c) Other current assets	12	2,473.11	1,572.59
Total Assets		57,570.63	43,796.87
EQUITY AND LIABILITIES			
Equity		17,736.01	9,368.40
(a) Equity share capital	14	214.12	107.60
(b) Other equity			
Capital redemption reserve	15	989.00	139.00
Capital Reserve	15	1,781.92	-
Securities premium	15	678.40	678.40
General reserve	15	411.21	411.21
Retained earnings	15	13,661.36	8,032.19
Liabilities			
I. Non-current liabilities		11,052.77	13,206.23
(a) Financial liabilities			
(i) Borrowings	16	8,666.32	10,566.16
(ii) Lease liabilities	17	436.05	950.56
(iii) Other financial liabilities	18	615.19	570.80
(b) Provisions	19	1,301.64	1,118.71
(c) Deferred tax liabilities (net)	5	33.57	-
II. Current liabilities		28,781.85	21,222.24
(a) Financial liabilities			
(i) Borrowings	20	8,047.21	3,063.64
(ii) Trade and other payables	21		
a) total outstanding dues of micro enterprises and small enterprises		5,050.00	3,684.86
b) total outstanding dues of creditors other than micro enterprises and small enterprises		9,710.16	7,978.38
(iii) Lease liabilities	22	254.89	298.72
(iv) Other financial liabilities	23	1,397.56	1,380.60
(b) Other current liabilities	24	554.50	1,428.21
(c) Provisions	25	3,767.53	3,387.83
Total Equity and Liabilities		57,570.63	43,796.87
Material accounting policies	38		
The accompanying notes are an integral part of the financial statements.			

As per our attached report of even date

For and on behalf of the board of directors

FOR P G BHAGWAT LLP
Chartered Accountants
Firm Registration Number : 101118W/ W100682

NACHIKET DEO
Partner
Membership Number : 117695
Place- Pune
27-04-2026



RAHUL SAHAI
Managing Director
DIN: 10909570
Place- Pune

AKASH SHAH
Chief Financial Officer
Place- Pune
27-04-2026



AKSHAY SAHNI
Director
DIN: 00791744
Place- Pune

AMRUTA THIGALE
Company Secretary
Place- Pune
27-04-2026

Statement of profit and loss for the year ended 31 March 2026

		₹ in Lakhs	
Particulars	Note No.	2025-26	2024-25
Continuing operations			
Income			
Revenue from operations	26	1,13,815.77	1,01,830.67
Other income	27	814.13	806.56
Total Income		1,14,629.90	1,02,637.23
Expenses			
Cost of raw materials and components consumed	28	48,411.93	45,057.58
Purchase of traded goods	29	27,400.22	16,100.50
Changes in inventories of finished goods, work-in-progress and traded goods	30	(422.54)	4,250.84
Employee benefits expense	31	6,093.52	6,399.19
Finance costs	32	1,325.56	1,282.46
Depreciation and amortisation expense	33	1,444.22	1,499.62
Other Expenses	34	21,225.70	22,078.03
Total Expenses		1,05,478.61	96,668.22
Profit/(loss) before exceptional items and tax		9,151.29	5,969.01
Exceptional Items [(Income)/Expense]	36	72.72	-
Profit/(loss) before tax		9,078.57	5,969.01
Tax expense		2,357.84	1,451.70
Current tax	35	2,204.60	1,340.37
(Excess)/short provision related to earlier years	35	-	4.96
Deferred tax	35	153.24	106.37
Profit for the year from continuing operations		6,720.73	4,517.31
Discontinuing operations			
Profit before tax from discontinued operations	37	453.65	301.81
Tax expense of discontinued operations	37	(19.97)	75.96
Profit from discontinued operations (after tax)		473.62	225.85
Profit/(loss) for the year		7,194.35	4,743.16
Other comprehensive income			
A. Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Re-measurement gains / (losses) on defined benefit plans		9.15	(86.08)
Income tax effect on above		12.22	(115.03)
		(3.07)	28.95
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods (A)		9.15	(86.08)
Total other comprehensive income for the year, net of tax [A]		9.15	(86.08)
Total comprehensive income for the year		7,203.50	4,657.08
Earnings per equity share [nominal value per share ₹ 10/- (31 March 2025: ₹ 10/-)]			
Basic and diluted earnings per equity share from continuing operations		313.88	210.98
Basic and diluted earnings per equity share from discontinuing operations		22.12	10.55
Basic and diluted earnings per equity share from continuing operations and discontinuing op-		336.00	221.52

Material accounting policies 38

The accompanying notes are an integral part of the financial statements.

As per our attached report of even date

For and on behalf of the board of directors

FOR P G BHAGWAT LLP
Chartered Accountants
Firm Registration Number : 101118W/ W100682

RAHUL SAHAI
Managing Director
DIN: 10909570
Place- Pune

AKSHAY SAHNI
Director
DIN:00791744
Place-Pune

NACHIKET DEO
Partner
Membership Number : 117695
Place- Pune
27-04-2026



AKASH SHAH
Chief Financial Officer
Place-Pune
27-04-2026



AMRUTA THIGALE
Company Secretary
Place-Pune
27-04-2026

KOEL Fluid Dynamics Private Limited (Formerly known as La-Gajjar Machineries Private Limited)
Statement of Cash Flow for the year ended 31 March 2026

Particulars	₹ in Lakhs	
	2025-26	2024-25
CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(Loss) before Tax	9,532.22	6,270.82
Continuing operations	9,078.57	5,969.01
Discontinued operations	453.65	301.81
<i>Adjustments to reconcile profit before tax to net cash flows:</i>		
Add:		
Depreciation and Amortisation	1,464.30	1,542.59
Loss on disposal of assets & Others	10.33	-
Bad debts and Irrecoverable balances written off	7.96	11.96
Inventories written down	(244.66)	12.46
Loss / (Profit) on Revalorisation on Exports	(239.08)	41.62
(Gain) / Loss on fair valuation of derivative instruments	-	7.00
Provision for doubtful debts and advances (net)	69.30	97.71
Finance cost	1,326.79	1,288.10
Provisions for share based payments (ESOP's)	(8.28)	23.61
	2,386.66	3,025.05
Less :		
Profit / (Loss) on sale of investment	-	219.16
Profit / (Loss) on sale of undertaking	425.23	-
Net Gain/(loss) on lease modifications	17.63	6.61
Unwinding of interest on deposits	4.83	53.17
Profit / (Loss) on Revalorisation on Imports	(4.58)	0.42
Surplus on sale of assets	-	402.46
Interest / Dividend received (Finance income)	118.66	64.88
Sundry Credit Balances Appropriated	37.34	10.69
Provisions no longer required written back	52.08	53.50
	651.19	810.89
Operating Profit before working capital changes	11,267.69	8,484.98
<i>Working Capital Adjustments</i>		
(Increase) / Decrease in Trade and Other Receivables	(10,786.92)	295.75
(Increase) / Decrease in Inventories	243.14	6,034.10
Increase / (Decrease) In Trade and other Payables	2,552.43	(3,393.05)
Increase / (Decrease) In Provisions	626.93	720.87
	(7,364.42)	3,657.67
Net Cash generated from operations	3,903.27	12,142.65
Direct taxes paid	(1,534.64)	(348.29)
NET CASH FLOW FROM OPERATING ACTIVITIES	2,368.63	11,794.36
CASH FLOW FROM INVESTING ACTIVITIES		
Add :		
Proceeds from Sale of Property, Plant and Equipment	0.83	2,643.79
Proceeds from Sale of investments (Net)	7.58	660.16
Proceeds from sale of undertaking (Net)	1,070.00	-
Interest & dividend received (Finance income)	56.55	36.69
	1,134.96	3,340.64
Less :		
Purchase of investments (net)	0.17	-
Payments for Purchase of Property, Plant and Equipment	545.22	5,394.16
	545.39	5,394.16
NET CASH GENERATED FROM INVESTING ACTIVITIES	589.57	(2,053.52)
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from bill discounting & borrowings	6,871.05	3,261.66
Repayment of Lease Liability	(339.10)	(592.89)
Interest paid (finance cost)	(1,318.08)	(1,224.71)
Repayment of borrowing	(3,787.44)	(4,548.62)
Fund received from corporate	514.16	(6,636.13)
NET CASH USED IN FINANCING ACTIVITY	1,940.59	(9,740.69)
Net Increase / (decrease) in cash and cash equivalents	4,898.79	0.15
Opening Cash and Cash equivalents	2.06	1.91
Closing Cash and Cash equivalents (Refer Note 10a)	4,900.85	2.06

As per our attached report of even date.

For and on behalf of the Board of Directors.

FOR P G BHAGWAT LLP
Chartered Accountants
Firm Registration Number : 101118W/ W100682

RAHUL SAHAI
Managing Director
DIN: 10909570
Place- Pune

AKSHAY SAHNI
Director
DIN:00791744
Place-Pune

NACHIKET DEO
Partner
Membership Number : 117695
Place- Pune
27-04-2026

AKASH SHAH
Chief Financial Officer
Place-Pune
27-04-2026

AMRUTA THIGALE
Company Secretary
Place-Pune
27-04-2026



KOEL Fluid Dynamics Private Limited (Formerly known as La-Gajjar Machineries Private Limited)
Statement of changes in Equity for the Year ended 31 March 2026

A. Equity Share Capital (Note 14)

Equity Shares of ₹ 10 each issued, subscribed and fully paid	No. of Shares	₹ in Lakhs
		Amount
As at 1st April 2024	10,76,000	107.60
Issue/Reduction, if any during the year	-	-
As At 31 March 2025	10,76,000	107.60
Issue/Reduction, if any during the year	10,65,150	106.52
As At 31 March 2026	21,41,150	214.12

B. Other Equity (Note 15)

Particulars	Reserves and Surplus					Total
	Capital Redemption Reserve	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	
As at 1st April 2024	139.00	-	678.40	411.21	8,595.99	9,824.60
Profit for the year	-	-	-	-	4,743.16	4,743.16
Other comprehensive income for the year	-	-	-	-	(86.08)	(86.08)
Total Comprehensive income for the year	-	-	-	-	4,657.08	4,657.08
Capital Infusion / (Withdrawal)	-	-	-	-	(5,220.88)	(5,220.88)
As At 31 March 2025	139.00	-	678.40	411.21	8,032.19	9,260.80
As At 31 March 2025	139.00	-	678.40	411.21	8,032.19	9,260.80
Profit for the year	-	-	-	-	7,194.35	7,194.35
Other comprehensive income for the year	-	-	-	-	9.15	9.15
Total Comprehensive income for the year	-	-	-	-	7,203.50	7,203.50
Transfer from Retained earnings	850.00	1,781.92	-	-	(850.00)	1,781.92
Transfer to Capital reserve - Business combination	-	-	-	-	(1,781.92)	(1,781.92)
Issue of equity shares - Business combination	-	-	-	-	(106.52)	(106.52)
Capital Infusion / (Withdrawal)	-	-	-	-	1,164.11	1,164.11
As at 31 March 2026	989.00	1,781.92	678.40	411.21	13,661.36	17,521.89

Material accounting policies

38

The accompanying notes are an integral part of the financial statements.

As per our attached report of even date

For and on behalf of the board of directors

FOR P G BHAGWAT LLP

Chartered Accountants

Firm Registration Number : 101118W/ W100682



NACHIKET DEO

Partner

Membership Number : 117695

Place- Pune

27-04-2026



RAHUL SAHAI

Managing Director

DIN: 10909570

Place- Pune

AKASH SHAH

Chief Financial Officer

Place-Pune

27-04-2026



AKSHAY SAHNI

Director

DIN:00791744

Place-Pune

AMRUTA THIGALE

Company Secretary

Place-Pune

27-04-2026

KOEL Fluid Dynamics Private Limited (Formerly known as La-Gajjar Machineries Private Limited)
Notes to the Financial Statements

Note 1 : Property, Plant and equipment

Particulars	Leasehold Improvement	Buildings - Road, Factory & Non Factory	Plant & Equipment	Furniture & Fixture	Vehicles	Office Equipment	Computers	Electrical Installation	Total	Capital Work-in-Process
Gross Block										
As at 1st April 2024	311.01	18.38	6,358.55	260.10	32.76	104.34	395.97	200.22	7,681.33	5,332.08
Additions	155.01	8,033.67	1,231.84	371.32	59.90	434.11	274.08	588.12	11,148.05	5,893.97
Reclassification	311.01	(263.72)	-	(2.47)	-	(44.82)	-	-	(0.00)	-
Deductions /written off/ Held for disposal	-	246.54	640.78	56.02	30.10	33.01	39.33	55.41	1,101.19	11,148.04
As at 31 March 2025	155.01	8,069.23	6,949.61	577.87	62.56	550.26	630.72	732.93	17,728.19	78.01
Additions	-	5.27	107.46	20.91	7.39	2.77	125.88	33.90	303.58	282.69
Reclassification	-	-	1.06	8.19	-	(9.25)	-	-	-	-
Deductions /written off/ Held for disposal	-	48.97	343.10	7.86	-	2.33	12.00	8.35	422.61	205.33
As at 31 March 2026	155.01	8,025.53	6,712.91	582.73	69.95	559.95	744.60	758.48	17,609.16	155.37
Depreciation										
As at 1st April 2024	307.01	4.68	4,477.88	184.26	32.04	82.89	310.99	147.92	5,547.67	-
For the year	10.27	248.32	281.24	56.75	4.62	62.28	93.35	40.43	797.26	-
Reclassification	307.01	(259.72)	-	(2.47)	-	(44.82)	-	-	(0.00)	-
Deductions /written off/ Held for disposal	-	246.54	508.86	44.12	30.05	32.88	39.33	26.04	927.82	-
As at 31 March 2025	10.27	266.18	4,250.26	199.36	6.61	157.11	365.01	162.31	5,417.11	-
For the year	17.37	359.47	300.24	81.50	7.87	95.99	96.20	66.30	1,024.94	-
Reclassification	-	-	0.44	6.13	-	(6.57)	-	-	-	-
Deductions /written off/ Held for disposal	-	8.97	137.09	3.56	-	1.93	12.00	6.59	170.14	-
As at 31 March 2026	27.64	616.68	4,412.97	271.17	14.48	257.74	449.21	222.02	6,271.91	-
Net Block										
As at 1st April 2024	4.00	13.70	1,880.67	75.84	0.72	21.45	84.98	52.30	2,133.66	5,332.08
As at 31 March 2025	144.74	7,803.05	2,699.35	378.51	55.95	393.15	265.71	570.62	12,311.08	78.01
As at 31 March 2026	127.37	7,408.85	2,299.94	311.56	55.47	302.21	295.39	536.46	11,337.25	155.37

Notes :

1. For Depreciation, amortisation and security refer accounting policy Note 38.4.3
2. Refer Note - 38.4.11 on policies for Right-of-Use Assets
3. The Company does not have any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) whose title deeds are not held in the name of the company.
4. Depreciation of discontinued operation is Rs. 3.19 Lakhs



KOEL Fluid Dynamics Private Limited (Formerly known as La-Gajjar Machineries Private Limited)
Notes to the Financial Statements

Note 1a : Aging analysis of Capital working in progress (CWIP)

CWIP aging schedule

CWIP	As at 31 March 2026				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	155.37	-	-	-	155.37
Project : Routine Capex - Plant Machinery	74.76	-	-	-	74.76
Project : Routine Capex - Buildings	79.08	-	-	-	79.08
Project : Routine Capex - Furniture & Fixture	1.53	-	-	-	1.53
Projects temporarily suspended	-	-	-	-	-
TOTAL AMOUNT	155.37	-	-	-	155.37

CWIP completion schedule

CWIP	As at 31 March 2026			
	Less Than 1 Year	1-2 Year	2-3 Year	More than 3 year
Project : Routine Capex - Plant Machinery	74.76	-	-	-
Project : Routine Capex - Buildings	79.08	-	-	-
Project : Routine Capex - Furniture & Fixture	1.53	-	-	-
TOTAL AMOUNT	155.37	-	-	-

CWIP aging schedule

CWIP	As at 31 March 2025			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects in progress	78.01	-	-	-
Project : Routine Capex - Plant Machinery	78.01	-	-	-
Projects temporarily suspended	-	-	-	-
TOTAL AMOUNT	78.01	-	-	-

CWIP completion schedule

CWIP	As at 31 March 2025			
	Less Than 1 Year	1-2 Year	2-3 Year	More than 3 year
Project : Routine Capex - Plant Machinery	78.01	-	-	-
TOTAL AMOUNT	78.01	-	-	-



Note 1b : Right-of-use assets

₹ in Lakhs			
particulars	Land	Building	Total
As at 1st April 2024	3,304.05	468.95	3,773.00
Addition	-	1,409.54	1,409.54
Deletion	-	35.56	35.56
Amortisation	33.77	589.19	622.96
As At 31 March 2025	3,270.28	1,253.74	4,524.02
Addition	-	349.20	349.20
Deletion	-	615.14	615.14
Amortisation	33.77	333.16	366.93
As At 31 March 2026	3,236.51	654.64	3,891.15

1. Depreciation of discontinued operation is Rs. 15.18 Lakhs



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KOEL Fluid Dynamics Private Limited (Formerly known as La-Gajjar Machineries Private Limited)
Notes to the Financial Statements

Note 2 : Other Intangible assets

Particulars	Computer Software	Customer Relationships	Technical Knowhow -Acquired	Brands	Total	Goodwill acquired under Business Combination	Intangible assets under development
Gross Block							
As at 1st April 2024	703.55	0.56	110.53	42.18	856.82	253.64	31.74
Additions	6.75	-	-	-	6.75	-	53.18
Deductions	0.43	-	-	-	0.43	-	6.75
As At 31 March 2025	709.87	0.56	110.53	42.18	863.14	253.64	78.17
Additions	17.76	-	-	-	17.76	-	39.97
Inter Transfers	6.64	-	-	-	6.64	-	-
Deductions	-	0.56	29.64	42.18	72.38	126.57	11.77
As At 31 March 2026	734.27	-	80.89	-	815.16	127.07	106.37
Amortisation							
As at 1st April 2024	504.19	0.33	98.42	12.48	615.42	-	-
For The Year	123.49	0.11	5.93	4.22	133.75	-	-
Deductions	0.43	-	-	-	0.43	-	-
As At 31 March 2025	627.25	0.44	104.35	16.70	748.74	-	-
For The Year	70.27	0.02	0.99	0.70	71.98	-	-
Inter Transfers	0.45	-	-	-	0.45	-	-
Deductions	-	0.46	24.46	17.40	42.32	-	-
As At 31 March 2026	697.97	-	80.88	-	778.85	-	-
Net Block							
As at 1st April 2024	199.36	0.23	12.11	29.70	241.40	253.64	31.74
As At 31 March 2025	82.62	0.12	6.18	25.48	114.40	253.64	78.17
As At 31 March 2026	36.30	-	0.01	-	36.31	127.07	106.37

Notes :

1. For Depreciation and amortisation refer accounting policy Note 38.4.3
- 2 Depreciation of discontinued operation is Rs. 1.71 Lakhs



KOEL Fluid Dynamics Private Limited (Formerly known as La-Gajjar Machineries Private Limited)
Notes to the Financial Statements

Note 2a : Aging analysis of Intangible assets under development

Intangible assets under development aging schedule

As at 31 March 2026					
CWIP	Amount in CWIP for a period of March 26				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	32.89	41.74	31.74	-	106.37
Project : Routine Capex - Intangible	32.89	41.74	31.74	-	106.37
Projects temporarily suspended	-	-	-	-	-
TOTAL AMOUNT	32.89	41.74	31.74	-	106.37

Intangible assets under development completion schedule

As at 31 March 2026				
CWIP	To be completed in			Total
	Less Than 1 Year	1-2 Year	2-3 Year	
Project : Routine Capex - Intangible	106.37	-	-	106.37
TOTAL AMOUNT	106.37	-	-	106.37

Intangible assets under development aging schedule

As at 31 March 2025					
CWIP	Amount in CWIP for a period of March 25				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	46.43	31.74	-	-	78.17
Project : Routine Capex - Intangible	46.43	31.74	-	-	78.17
Projects temporarily suspended	-	-	-	-	-
TOTAL AMOUNT	46.43	31.74	-	-	78.17

Intangible assets under development completion schedule

As at 31 March 2025				
CWIP	To be completed in			Total
	Less Than 1 Year	1-2 Year	2-3 Year	
Project : Routine Capex - Intangible	78.17	-	-	78.17
TOTAL AMOUNT	78.17	-	-	78.17



KOEL Fluid Dynamics Private Limited (Formerly known as La-Gajjar Machineries Private Limited)

Notes to the Financial Statements

Note 3 : Non-current Investments

Particulars	Par Value / Face Value Per Unit	As at 31 March 2026		As at 31 March 2025	
		Nos.	₹ in Lakhs	Nos.	₹ in Lakhs
At fair value through Other Comprehensive Income (FVOCI)					
Investment					
In Unquoted Equity Instruments					
Kirloskar Proprietary Limited - Equity Share (Fully Paid up)	100.00	4	0.68		

Notes :

1. Aggregate amount of Unquoted Investments as at 31 March, 2026 is 0.68 Lakhs (Nil as at 31 March, 2025). During the period ended 10 October 2025, Kirloskar Oil Engines Limited has transferred 3 equity shares of Kirloskar Proprietary Limited having face value of Rs 100 per share, to the undertaking under business combination. Refer note 38.5.21
2. Face value per unit in Rupees unless otherwise stated.
3. Refer Note - 38.5.13 on Risk Management objectives and policies for Financial Instruments.



Note 4 : Other financial assets (non current)

Particulars	₹ in Lakhs	
	As at 31 March 2026	As at 31 March 2025
Security deposits		
Unsecured, considered good	449.85	376.96
Doubtful	5.34	30.50
Less :Loss Allowance for doubtful deposits	(5.34)	(30.50)
Deposit with Govt under protest	158.68	155.96
Others	1.51	2.64
Bank deposits with maturity of more than 12 months	9.37	8.37
Total	619.41	543.93

1. Other financial assets are measured at amortised cost. Refer note 38.5.12
2. Refer Note - 38.5.13 on Risk Management objectives and policies for Financial Instruments.



Note 5 : Deferred tax Asset (net)

Particulars	₹ in Lakhs	
	As at 31 March 2026	As at 31 March 2025
Deferred Tax Asset	(33.57)	89.20
Depreciation	(179.06)	(135.28)
Loss -current financial year	-	35.15
Disallowances u/s 43 B of Income Tax Act	28.86	114.98
Provision for Doubtful debts & advances	95.40	67.36
ROU Asset Net of Lease Liability and PV of Deposit	15.55	4.27
Others incl Amalgamation Exps.	5.68	2.72
Less : Deferred Tax Liability	-	(10.75)
Others	-	(10.75)
Total	(33.57)	99.95

1. Reconciliation of deferred tax assets / (liabilities), net

₹ in Lakhs

Particulars	As at 31 March 2026	As at 31 March 2025
Opening balance as of 1 April	99.95	182.79
Tax income/(expense) during the year recognised in profit or loss	(153.24)	(106.37)
Tax income/(expense) during the year recognised in OCI	(3.07)	28.95
Less : Tax income/(expense) during the year recognised in OCI of migrated business	(6.69)	(5.42)
Deferred Tax for Discontinuing Operations reversed	29.48	-
Closing balance as at 31 March	(33.57)	99.95

2. Tax Losses

₹ in Lakhs

Particulars	As at 31 March 2026	As at 31 March 2025
Unused tax losses for which no Deferred Tax Assets have been recognised- Long Term capital loss on sale of Land	-	846.24
Potential Tax benefit	-	212.98

3. The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

4. Deferred tax is measured on temporary differences at the rate of 25.168% (Refer note 35)

5. The unused tax losses were incurred by the company on sale on Land which is partially adjusted during the current financial year against long term capital gain generated on slump sale of business undertaking. Further deferred tax asset is not created for balance unused tax losses since the losses cannot be carried forward as per the provisions of Income Tax Act in view of 8 years coming to an end on March 31, 2026.



Note 6 : Income tax assets (net)

₹ in Lakhs

Particulars	As at 31 March 2026	As at 31 March 2025
Tax paid in advance (net of provision)	162.21	185.04
Total	162.21	185.04



Note 7 : Other non-current assets

₹ in Lakhs		
Particulars	As at 31 March 2026	As at 31 March 2025
Capital advances	-	41.75
Total	-	41.75



Note 8 : Inventories

₹ in Lakhs

Particulars	As at 31 March 2026	As at 31 March 2025
Raw materials	2,565.25	2,845.95
Raw materials and components	2,565.25	2,845.95
Work-in-progress	1,660.24	1,911.18
Finished goods	3,647.20	2,664.98
Traded goods	1,978.66	2,287.40
Stores and spares	53.27	193.59
Total	9,904.62	9,903.10

1. Inventories written down to net realisable value during the year ended on 31 March 2026 is Rs. 4.29 Lakhs were recognised as an expense in the statement of profit and loss during the year. (Rs. 0.74 Lakhs on 31 March 2025).

2. Refer Note 16 for information on inventory hypothecation with bankers for the purpose of Working Capital facilities.



Note 9 : Trade receivables

Particulars	₹ in Lakhs	
	As at 31 March 2026	As at 31 March 2025
Total Trade Receivables	20,805.77	12,341.52
Trade receivables [Refer note (1) below]	20,805.77	12,341.52
Break-up for security details:	20,805.77	12,341.52
Unsecured considered good	20,805.77	12,341.52
Doubtful	427.80	318.88
Loss Allowance (for expected credit loss under simplified approach)	(427.80)	(318.88)
Total	20,805.77	12,341.52

Trade receivable which have significant increase in credit risk: ₹ NIL (₹ NIL in FY 2024-25)

Trade receivable - credit impaired : ₹ NIL (₹ NIL in FY 2024-25)

1. Trade receivables are measured at amortised cost.
2. No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Trade and other receivable due from firms and private companies respectively in which any director is a partner, a director or a member as on 31 March, 2026 is ₹ NIL (₹ NIL as on 31 March 2025). Refer Note 38.5.9 for terms and conditions related to Related party receivables.
3. Trade receivables secured by letter of credit are considered as secured.

4. Movement of impairment Allowance (allowance for expected credit loss under simplified approach)

Particulars	As at 31 March 2026	As at 31 March 2025
Opening Balance	318.88	176.55
Provided During the year	355.84	180.97
Written off	(4.85)	(11.27)
Provision written back	(242.07)	(27.37)
Transferred in business combination	-	-
Closing Balance	427.80	318.88

5. Refer Note 38.5.13 on credit risk of trade receivables, which explains how the Company manages and measures credit quality of trade receivables that are neither past due nor impaired.

6. The carrying amount of the trade receivables include receivables which are subject to the export sales bill discounting arrangement. However, where the Company has retained the credit risks, it continues to recognise these assets in entirety in its Balance sheet, while bills discounted without recourse have been derecognised. The amount repayable under this arrangement is presented as secured borrowings.



Note 9a: Aging analysis of Trade Receivables

As at 31 March 2026								
Particulars	Unbilled dues	Not due	Outstanding for following periods from due date of payment				Total	
			Less than 6 months	6 months -1 year	1-2 Years	2-3 years		More than 3 years
(i) Undisputed Trade receivables – considered good	95.64	12,057.74	8,614.96	96.87	42.05	106.42	197.93	21,211.61
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-	21.96	21.96
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Gross Trade Receivables	95.64	12,057.74	8,614.96	96.87	42.05	106.42	219.89	21,233.57
Less: Loss Allowance (for expected credit loss under simplified approach)	-	-	-	59.44	42.05	106.42	219.89	427.80
Net Trade Receivables	95.64	12,057.74	8,614.96	37.43	-	-	-	20,805.77

* Disputed Trade Receivables represents legal cases with customers



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As at 31 March 2025							
Particulars	Unbilled dues	Not due	Outstanding for following periods from due date of payment				Total
			Less than 6 months	6 months - 1 year	1-2 Years	2-3 years	More than 3 years
(i) Undisputed Trade receivables – considered good	3.64	9,805.44	2,381.71	41.88	202.92	21.09	181.02
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables—considered good	-	-	-	-	-	-	22.70
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Unbilled	-	-	-	-	-	-	-
Gross Trade Receivables	3.64	9,805.44	2,381.71	41.88	202.92	21.09	203.72
Less: Loss Allowance (for expected credit loss under simplified	-	-	-	36.20	202.92	21.07	58.69
Net Trade Receivables	3.64	9,805.44	2,381.71	5.68	-	0.02	145.03
							12,660.40
							12,341.52

* Disputed Trade Receivables represents legal cases with customers



Note 10a : Cash and cash equivalents

₹ in Lakhs

Particulars	As at 31 March 2026	As at 31 March 2025
Balance with Bank		
Current accounts and debit balance in cash credit accounts	15.85	2.06
Bank deposits with original maturity of less than 3 months	4,885.00	-
Total	4,900.85	2.06

Note 10b : Other bank balances

Particulars	As at 31 March 2026	As at 31 March 2025
Deposits with original maturity of more than three months but less than 12 months	1,219.23	1,226.81
Total	1,219.23	1,226.81

1. Refer Note 38.5.13 for further details



Note 11 : Other financial assets (Current)

₹ in Lakhs

Particulars	As at 31 March 2026	As at 31 March 2025
Security deposits (Unsecured, considered good)	-	75.48
Doubtful	-	25.13
Less : Loss Allowance for doubtful deposits	-	(25.13)
Export incentive receivable	638.20	333.14
Other Receivables	1,193.03	112.18
Total	1,831.23	520.80

1. Other financial assets are measured at amortised cost.
2. Others receivable includes receivable from holding company ₹ 1009.73 Lakhs.
3. Other receivables due from private companies in which director of the company is, a director or a member as at 31 March 2026 ₹ Nil. (31 March 2025 : ₹ Nil)
4. Refer Note 38.5.13 for further details.



Note 12 : Other current assets

₹ in Lakhs

Particulars	As at 31 March 2026	As at 31 March 2025
Advance to suppliers	397.91	150.54
Unsecured, considered good	397.91	150.54
Doubtful	1.18	1.65
Less : Loss Allowance for doubtful advances	(1.18)	(1.65)
Sales tax / VAT / GST receivable	1,815.16	1,229.03
Prepaid expenses	178.04	139.63
Others	82.00	53.39
Total	2,473.11	1,572.59



Note 14 : Share capital**Authorised share capital**

Equity shares of Rs 10 each

Particulars	No. of shares	₹ in Lakhs
Authorised equity share capital (Shares of ₹ 10 each)		
As at 1st April 2024	52,40,000	524.00
Increase/(decrease) during the year	90,00,000	900.00
As At 31 March 2025	1,42,40,000	1,424.00
Increase/(decrease) during the year	-	-
As At 31 March 2026	1,42,40,000	1,424.00
Issued, subscribed and fully paid up equity share capital (Shares of ₹ 10 each)		
As at 1st April 2024	10,76,000	107.60
Changes during the year	-	-
As At 31 March 2025	10,76,000	107.60
Changes during the year	10,65,150	106.52
As At 31 March 2026	21,41,150	214.12

Terms/Rights attached to the equity shares

1. The Company has only one class of equity shares having a par value of ₹ 10/- each. Each equity shareholder is entitled to one vote per share and has a right to receive dividend as recommended by Board of Directors subject to the necessary approval from the shareholders.
2. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

3. Shares held by holding company

Particulars	As At 31 March 2026	As At 31 March 2025
Kirloskar Oil Engines Ltd.		
No. of Equity shares of ₹ 10 each*	21,41,149	10,75,999
Face value of Equity share holding (₹ in Lakhs)	214.11	107.60
Equity share holding (%)	100.00%	100.00%

*One equity share is in the name of individual. However beneficial interest vest with body corporate. Hence not incorporated separately.

4. Number of Shares held by each shareholder holding more than 5% Shares in the Company

Particulars	Kirloskar Oil Engines Ltd.
As At 31 March 2025	
No. of Shares	10,75,999
% of Shareholding	100.00%
As At 31 March 2026	
No. of Shares	21,41,149
% of Shareholding	100.00%

5. During the year the company has issued 10,65,150 (ten lakh sixty-five thousand one hundred and fifty) equity shares having face value of INR 10/- (Indian Rupees Ten only) as a non cash consideration to KOEL on a private placement basis, refer note 38.5.21



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Note 14a : Shareholding of promoters

		As at 31 March 2026				As at 31 March 2025			
S. No	Promoter Name	No. of Shares held	% Change during the year	% of total shares		Promoter Name	No. of Shares held	% Change during the year	% of total shares
1	Kirloskar Oil Engines Ltd.	21,41,149	0.00%	100.00%		Kirloskar Oil Engines Ltd.	10,75,999	0.00%	100.00%
	Total	21,41,149		100.00%			10,75,999		100.00%

One equity share is in the name of individual. However beneficial interest vest with body corporate. Hence not incorporated separately.



Note 15 : Other Equity

₹ in Lakhs		
Particulars	As at 31 March 2026	As at 31 March 2025
CAPITAL REDEMPTION RESERVE	989.00	139.00
Opening Balance	139.00	139.00
Add : Transferred during the year	850.00	-
CAPITAL RESERVE	1,781.92	-
Opening Balance	-	-
Add : Generated during the year due to business combinations	1,781.92	-
SECURITIES PREMIUM	678.40	678.40
Opening Balance	678.40	678.40
Add : Transferred during the year	-	-
GENERAL RESERVE	411.21	411.21
Opening Balance	411.21	411.21
Add : Transferred from Retained earnings	-	-
RETAINED EARNINGS	13,661.36	8,032.19
Opening Balance	8,032.19	8,595.99
Profit/(loss) for the year	7,194.35	4,743.16
Transfer to Capital reserve - Business combination	(1,781.92)	-
Issue of equity shares - Business combination	(106.52)	-
Transfer to Capital redemption reserve - Redemption of Pref shares	(850.00)	-
Capital Infusion / (Withdrawal) - Business Combination	1,164.11	(5,220.88)
Other Comprehensive income / (Loss)	9.15	(86.08)
	5,629.17	(563.80)
Total	17,521.89	9,260.80

Other reserves

Particulars	As at 31 March 2026	As at 31 March 2025
Capital redemption reserve	989.00	139.00
Capital Reserve	1,781.92	-
General reserve	411.21	411.21
Securities Premium	678.40	678.40
Retained Earnings	13,661.36	8,032.19
Total other reserves	17,521.89	9,260.80

1. The Capital Redemption Reserve is created for redemption of preference shares as per statutory requirement.
2. Securities premium is received against the issuance of Equity Shares and can be utilised in accordance with provisions of Companies Act, 2013.
3. General reserve is created by setting aside amount from the Retained Earnings of the company for general purposes which is freely available for distribution.
4. During the year, the Company has purchased ("B2C") business segment of Kirloskar Oil Engines Limited ('KOEL – Holding Company') i.e. Water Management Solutions ("WMS") – Domestic & Exports Business, on a going concern basis by way of slump sale. The business combination has been accounted for using the 'Pooling of Interest' method in accordance with Ind AS 103. Accordingly, the difference between the purchase consideration and the nominal value of the share capital of the transferor has been transferred to the Capital Reserve. Refer note 38.5.21



Note 16 : Borrowings (Non-current)

Particulars	₹ in Lakhs	
	As at 31 March 2026	As at 31 March 2025
Secured loans from bank	4,666.32	6,566.16
Term loans	4,666.32	6,566.16
Unsecured	4,000.00	4,000.00
8.25% Cumulative Redeemable Preference shares	4,000.00	4,000.00
Total	8,666.32	10,566.16

1. Loans are measured at amortised cost.

2. Term Loans from Banks

(i) The term Loans availed from Federal Bank and Axis Bank are secured by a First Pari Passu charge by way of Hypothecation of Plant & Machinery and other assets and second charge on entire current assets of the company. Further Term Loans from Federal Bank and Axis Bank are secured by way of creation of Equitable Mortgage on Land, Building, Plant & Machinery and other assets at the new plant at Sanand to the extent applicable.

(ii) Sanctioned Term Loan of ₹ 4750 Lakhs from Axis Bank and drawn till 31-03-2025 to the extent of 4110.30 Lakhs to be repaid in 60 monthly instalments of ₹ 79.17 Lakhs each starting from August 2025. The Loan carries a moratorium period of 24 months starting from 1st disbursement done in August 23.

(iii) Sanctioned Term Loan of ₹ 4750 Lakhs from Federal Bank and drawn till 31-03-2024 to the extent of 3564.39 Lakhs to be repaid in 60 monthly instalments of ₹ 79.16 Lakhs each starting from October 2025. The Loan carries a moratorium period of 24 months starting from 1st disbursement done in September 23.

Maturity profile of Term Loans from Banks (Current and Non-Current)

Period	As at 31 March 2026	As at 31 March 2025
Upto Three Months	475.10	-
More than Three Months Up to One Year	1,424.90	1,108.33
More than One Year Up to Three Years	3,799.88	3,800.00
More than Three Years Up to Five Years	866.44	2,766.16
More than Five Years	-	-



3. Borrowings from banks have been utilized for the specific purpose for which it were taken.
4. The Company has not been declared as wilful defaulter by any bank.
5. There has been no default in repayment of interest and principal amount for year ended 31 March 2026 and 31 March 2025.

6. 8% Cumulative Redeemable Preference Shares

The Company has issued 85,00,000 preference shares at the face value of ₹ 10 in the month of March'21 at the rate of 8% which are redeemed during the year on 20th March, 2026. (Refer Note 38.4.8)

7. 8.25% Cumulative Redeemable Preference Shares

The Company has issued 4,00,00,000 preference shares at the face value of ₹ 10 in the month of February'23 at the rate of 8.25% which are redeemable at the end of the term of 84 months from the date of issue. (Refer Note 38.4.8)

Terms : Unsecured preference shares to related party

Period	As at 31 March 2026	As at 31 March 2025
Kirloskar Oil Engines Ltd.	4,000.00	4,850.00
Interest on Cumulative Preference Shares	330.00	398.00
Total	4,330.00	5,248.00

Maturity profile of 8% Cumulative Redeemable Preference Shares (Current and Non-Current)

Period	As at 31 March 2026	As at 31 March 2025
Upto Three Months	-	-
More than Three Months Up to One Year	-	850.00
More than One Year Up to Three Years	-	-
More than Three Years Up to Five Years	-	-
More than Five Years	-	-

Maturity profile of 8.25% Cumulative Redeemable Preference Shares (Current and Non-Current)

Period	As at 31 March 2026	As at 31 March 2025
Upto Three Months	-	-
More than Three Months Up to One Year	-	-
More than One Year Up to Three Years	-	-
More than Three Years Up to Five Years	4,000.00	4,000.00
More than Five Years	-	-



The break-up of the company's Preference share capital is as follows

Particulars	No. of shares	₹ in Lakhs
Authorised 8.25% cumulative redeemable preference shares capital (Shares of ₹ 10 each)		
As at 1st April 2024	4,00,00,000	4,000.00
Increase/(decrease) during the year	-	-
As at 31 March 2025	4,00,00,000	4,000.00
Increase/(decrease) during the year	-	-
As at 31 March 2026	4,00,00,000	4,000.00
Authorised 8% cumulative redeemable preference shares capital (Shares of ₹ 10 each)		
As at 1st April 2024	85,00,000	850.00
Increase/(decrease) during the year	-	-
As at 31 March 2025	85,00,000	850.00
Increase/(decrease) during the year	-	-
As at 31 March 2026	85,00,000	850.00
Issued, subscribed and fully paid up 8.25% cumulative redeemable preference shares capital (Shares of ₹ 10 each)		
As at 1st April 2024	4,00,00,000	4,000.00
Increase/(decrease) during the year	-	-
As at 31 March 2025	4,00,00,000	4,000.00
Increase/(decrease) during the year	-	-
As at 31 March 2026	4,00,00,000	4,000.00
Issued, subscribed and fully paid up 8% cumulative redeemable preference shares capital (Shares of ₹ 10 each)		
As at 1st April 2024	85,00,000	850.00
Increase/(decrease) during the year	-	-
As at 31 March 2025	85,00,000	850.00
Increase/(decrease) during the year	(85,00,000)	(850.00)
As at 31 March 2026	-	-

Number of 8.25% Cumulative Redeemable Preference Shares held by each shareholder holding more than 5% Shares in the Company

Particulars	As at 31 March 2026	As at 31 March 2025
Kirloskar Oil Engines Ltd.		
No. of Shares	4,00,00,000	4,00,00,000
% of Shareholding	100.00%	100.00%

Number of 8% Cumulative Redeemable Preference Shares held by each shareholder holding more than 5% Shares in the Company

Particulars	As at 31 March 2026	As at 31 March 2025
Kirloskar Oil Engines Ltd.		
No. of Shares	-	85,00,000
% of Shareholding	0.00%	100.00%



Note 17 : Lease liabilities (Non-current)

₹ in Lakhs

Particulars	₹ in Lakhs	
	As at 31 March 2026	As at 31 March 2025
Lease liabilities	436.05	950.56
Total	436.05	950.56

1. Lease liabilities are measured at amortised cost.

2. For explanations on the Company's Interest risk, foreign currency risk and liquidity risk management processes, refer to Note 38.5.13

3. Also refer Note 38.4.11.



Note 18 : Other financial liabilities (Non current)

₹ in Lakhs

Particulars	As at 31 March 2026	As at 31 March 2025
Deposits/ Retentions from customers and others	615.19	570.80
Total	615.19	570.80

1. Other financial liabilities are measured at amortised cost.
2. For explanations on the company's Interest risk, Foreign currency risk and liquidity risk management processes, refer Note 38.5.13



Note 19 : Provisions (Non current)

	₹ in Lakhs	
Particulars	As at 31 March 2026	As at 31 March 2025
Provision for employee benefits	209.32	238.16
Provision for gratuity	-	197.55
Provision for compensated absence	209.32	40.61
Other provisions	1,092.32	880.55
Provision for warranty	1,092.32	880.55
Total	1,301.64	1,118.71

1. Refer Note 25 - Provisions (Current)



Note 20 : Borrowings

Particulars	₹ in Lakhs	
	As at 31 March 2026	As at 31 March 2025
Secured loans from bank		
Working Capital Demand Loan	-	3,000.00
Cash credit	(723.84)	(1,894.69)
Current maturities of Non-Current Borrowings		
Long term loans - Secured	1,900.00	1,108.33
8% Cumulative Redeemable Preference Shares - Unsecured	-	850.00
Unsecured loans		
Short term loan	6,871.05	-
Total	8,047.21	3,063.64

1. Borrowings are measured at amortised cost.

2. Company's fund and non fund based working capital facilities of ₹ 15927 Lakhs are secured by first charge by way of hypothecation on the whole of the current assets of the Company both present and future and also the second charge on the whole of the movable Plant and machinery and other fixed assets of the Company in favour of the consortium of banks (Federal Consortium) comprising of The Federal Bank Limited - Ahmedabad (Lead Bank), ICICI Bank Limited - Ahmedabad, Yes Bank Limited - Ahmedabad and HDFC Bank Limited - Ahmedabad.

3. The unutilised portion of the company's Cash Credit Limit is ₹ 12371.24 Lakhs (₹ 11394.69 Lakhs in FY 2024-25).

4. For explanations on the company's Interest risk, Foreign currency risk and liquidity risk management processes, refer Note 36.5.13.

5. Borrowings from banks have been utilized for the specific purpose for which it were taken.

6. The Company has not been declared as wilful defaulter by any bank.

7. Working Capital demand loan is sublimit of cash credit.

8. There has been no default in repayment of interest and principal amount for year ended 31 March 2026 and 31 March 2025.

9. Supplier financing arrangements for trade payables

The Company enters into arrangements whereby banks and financial institutions make direct payments to suppliers. The banks and financial institutions are subsequently repaid by the Company at a later date providing working capital timing benefits. These are normally settled between 0 to 120 days. Interest expense on these are recognised in the finance cost. Trade payables which are part of supplier financing which would have become due, where extended credit is opted, are shown under short term loan.

Carrying amount of trade payables (subject to supplier financing arrangements)	As at 31 March 2026	As at 31 March 2025
Presented in short term loan	6,871.05	-
Range of payment due dates		
Liabilities that are part of the arrangements(a) (days)	0-120 days	0-120 days



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Note 20a : Reconciliation of quarterly statement submitted to banks :

As at 31 March 2026

Quarter	Name of the bank	Particulars of securities provided	Amount as per statement submitted to bank/FI	Amount as per financials	Difference	Reason for difference
Jun-25	Federal/HDFC/ICICI /Yes Bank	Inventory	8,028.25	8,028.25	-	
		Receivables	6,887.72	6,887.72	-	
		Payables	6,404.05	6,404.05	-	
Sep-25	Federal/HDFC/ICICI /Yes Bank	Inventory	9,188.63	9,188.63	-	
		Receivables	6,942.52	6,942.52	-	
		Payables	6,304.45	6,304.45	-	
Dec-25	Federal/HDFC/ICICI /Yes Bank	Inventory	13,784.27	13,784.27	-	
		Receivables	17,955.65	17,955.65	-	
		Payables	19,223.19	19,223.19	-	
Mar-26	Federal/HDFC/ICICI /Yes Bank	Inventory	Not yet submitted	9,904.62	NA	
		Receivables		20,805.77		
		Payables		14,760.16		

As at 31 March 2025

Quarter	Name of the bank	Particulars of securities provided	Amount as per statement submitted to bank/FI	Amount as per financials	Difference	Reason for difference
Jun-24	Federal/HDFC/ICICI /Yes Bank	Inventory	12,544.79	12,544.79	-	
		Receivables	7,668.55	7,668.55	-	
		Payables	7,364.76	7,364.76	-	
Sep-24	Federal/HDFC/ICICI /Yes Bank	Inventory	9,603.79	9,603.79	-	
		Receivables	6,223.14	6,223.14	-	
		Payables	2,951.73	2,951.73	-	
Dec-24	Federal/HDFC/ICICI /Yes Bank	Inventory	9,142.22	9,142.22	-	
		Receivables	4,386.57	4,386.57	-	
		Payables	5,245.22	5,245.22	-	
Mar-25	Federal/HDFC/ICICI /Yes Bank	Inventory	6,537.54	6,537.54	-	
		Receivables	6,985.92	6,985.92	-	
		Payables	4,494.23	4,494.23	-	

1. The financial data reported above in FY 2024-25 and the first half of FY 2025-26 reflects the company's performance prior to its business integration. The financial data reported from October-25 onwards reflects the company's performance post business integration.



Note 21 : Trade and other payables

₹ in Lakhs

Particulars	As at 31 March 2026	As at 31 March 2025
Acceptances	661.71	967.61
Due to micro and small enterprises	5,050.00	3,684.86
Due to other than micro and small enterprises	9,048.45	7,010.77
Total	14,760.16	11,663.24

1. Trade and other payables are measured at amortised cost.

2. Due to Mico, Small and Medium Entrprises includes provision for Interest to MSME of ₹ 235.77 Lakhs (₹ 236.68 Lakhs in FY 2024-25)

3. For terms and conditions with related parties, refer Note 38.5.9

4. For explanations on Company's Foreign currency risk and liquidity risk management processses, refer Note 38.5.13

5. Supplier financing arrangements for trade payables

The Company enters into arrangements whereby banks and financial institutions make direct payments to suppliers. The banks and financial institutions are subsequently repaid by the Company at a later date. These are normally settled between 0 to 120 days. Carrying amount of finance liabilities for which finance provider have already settled the corresponding trade payables is Rs. 7532.76 Lakhs. Trade payables which are part of supplier financing but have not become due yet are shown under trade payables.

Carrying amount of trade payables (subject to supplier financing arrangements)	As at 31 March 2026	As at 31 March 2025
Presented in trade and other payables	661.71	967.61
Range of payment due dates		
Liabilities that are part of the arrangements (days)	0-120 days	0-120 days
Comparable trade payables that are not part of the arrangements (days)	0-120 days	0-120 days



Note 21a: Aging analysis of Trade Payables

As at 31 March 2025							
Particulars	Unbilled dues	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Micro and Small Enterprises ("MSME")	70.37	3,351.34	21.95	5.06	0.46	235.68	3,684.86
Others	363.36	6,791.57	798.31	20.32	3.14	1.68	7,978.38
Disputed dues – Micro and Small Enterprises ("MSME")	-	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-	-
Unbilled dues	-	-	-	-	-	-	-
Total	433.73	10,142.91	820.26	25.38	3.60	237.36	11,663.24

Note 22 : Lease liabilities (Current)

₹ in Lakhs

Particulars	As at 31 March 2026		As at 31 March 2025	
Lease liabilities		254.89		298.72
Total		254.89		298.72

1. Lease liabilities are measured at amortised cost.

2. For explanations on the Company's Interest risk, foreign currency risk and liquidity risk management processes, refer to Note 38.5.13

3. Also refer Note 38.4.11



Note 23 : Other financial liabilities (Current)

		₹ in Lakhs
Particulars	As at 31 March 2026	As at 31 March 2025
Deposits from customers and others	-	27.93
Interest Accrued but Not Due	330.00	398.00
Payable for capital purchases	114.55	193.05
Retention Money	157.60	239.17
Employee benefits payable	565.30	363.31
Mark to Market Derivative Liability	37.84	2.08
Other Payables	192.27	157.06
Total	1,397.56	1,380.60

1. Other financial liabilities are measured at amortised cost.

2. Interest accrued but not due include 8.25% redeemable preference shares recognised as Borrowing.

3. For explanations on Company's Foreign currency risk and liquidity risk management processes, refer Note 38.5.13

4. Payable for capital purchase includes MSME creditors to the extent they are of capital nature amounting Rs. 87.38 Lakhs (Rs. 132.66 lakhs in FY 2024-25).



Note 24 : Other Current liabilities (Current)

₹ in Lakhs

Particulars	As at 31 March 2026	As at 31 March 2025
Advance from customers	229.05	1,287.81
Statutory dues including provident fund and tax deducted at source	325.45	140.40
Total	554.50	1,428.21

1. For explanations on Company's Revenue Recognition policies, refer Note 38.4.18



Note 25 : Provisions (Current)

₹ in Lakhs

Particulars	As at 31 March 2026	As at 31 March 2025
Provision for employee benefits	325.03	379.80
Provision for gratuity	276.24	169.55
Provision for compensated absence	48.79	210.25
Others	3,442.50	3,008.03
Provision for warranty	3,442.50	3,008.03
Total	3,767.53	3,387.83

1. Employee benefits obligations**a. Gratuity**

The Company provides gratuity for employees as per the Gratuity Act, 1972. Employees who are in continuous service for a period of five years are eligible for gratuity. The amount of gratuity is payable on retirement or termination whichever is earlier. The level of benefits provided depends on the member's length of service and salary at retirement age. The gratuity plan is a funded plan. Refer Note 38.5.6

b. Compensated absences

The leave obligation cover the Company's liability for earned leaves. Refer Note 38.5.6

2. Other Provisions**a. Warranty**

Warranty is given to customers at the time of sale of products. Warranty cost includes expenses in connection with repairs, free replacement of parts and after sales services during warranty period.

Provision is made for estimated warranty claims in respect of products sold which are still under warranty at the end of reporting period. It is expected that majority of these costs will be incurred in the next financial year and balance will be incurred in following years. Management estimates the provision based on historical warranty claim information and any recent trends that may suggest future claims could differ from historical amounts.

Particulars	₹ in Lakhs
As at 31 March 2025	3,888.58
Arising during the year	2,687.43
Less : Utilised	2,041.19
Less : Unused amount reversed	-
Add: Unwinding of discount	-
As at 31 March 2026	4,534.82

b. Breakup of Warranty Provisions

Particulars	As at 31 March 2026	As at 31 March 2025
Current	3,442.50	3,008.03
Non-current	1,092.32	880.55
Total	4,534.82	3,888.58



Note 26 : Revenue from operations

₹ in Lakhs

Particulars	2025-26	2024-25
Sales and services	1,12,157.97	1,00,576.77
Sale of products (Refer Note 38.5.11)	1,12,157.97	1,00,576.77
Other operating income	1,657.80	1,253.90
Sale of scrap	936.04	688.60
Export incentives (Refer Note 38.5.4)	629.36	500.46
Sundry credit balances written back	37.34	10.69
Provisions no longer required written back	52.08	53.50
Miscellaneous receipts	2.98	0.65
Total	1,13,815.77	1,01,830.67

1. For explanations on Company's Revenue Recognition policies, refer Note 38.4.18



Note 27 : Other income

Particulars	₹ in Lakhs	
	2025-26	2024-25
Interest on income Tax and Sales Tax Refund	0.63	-
Interest income on financial assets measured at amortised cost		
(i) Bank Deposits	117.53	32.14
(ii) Unwinding of interest on security deposits	4.83	53.17
(iii) Other financial assets	232.97	72.23
Gain on Sale of Investment	-	219.16
Net Gain/(loss) on lease modifications	17.63	6.30
Net Gain/(loss) on disposal of property, plant & Equipment	-	412.43
Exchange gain/(loss) on translation of assets and liabilities	418.64	11.13
Miscellaneous income	21.90	-
Total	814.13	806.56



Note 28 : Cost of raw materials and components consumed

Particulars	₹ in Lakhs:	
	2025-26	2024-25
Raw materials and components consumed	48,411.93	45,057.58
Total	48,411.93	45,057.58



Note 29 : Purchases of Traded goods

Particulars	₹ in Lakhs	
	2025-26	2024-25
Pumps, Motors & Engines	20,616.63	13,886.38
Others	6,783.59	2,214.12
Total	27,400.22	16,100.50



Note 30 : Changes in inventories of finished goods, work-in-progress and traded goods

₹ in Lakhs

Particulars	2025-26	2024-25
Opening inventory	6,863.56	11,114.40
Work-in-process	1,911.18	3,297.53
Finished goods	2,664.98	6,713.06
Traded goods	2,287.40	1,103.81
Closing Inventory	7,286.10	6,863.56
Work-in-process	1,660.24	1,911.18
Finished goods	3,647.20	2,664.98
Traded goods	1,978.66	2,287.40
(Increase)/decrease in inventory	(422.54)	4,250.84
Total	(422.54)	4,250.84



Note 31 : Employee benefits expense

Particulars	₹ in Lakhs	
	2025-26	2024-25
Salaries, wages, bonus, commission, etc.	5,316.22	5,501.26
Gratuity (Refer Note 38.5.6)	65.51	107.88
Contribution to provident and other funds	288.03	317.46
Welfare and training expenses	417.16	435.27
Provident and other funds' expenses	14.88	14.54
Share Based Payment to employees	(8.28)	22.78
Total	6,093.52	6,399.19



Note 32 : Finance costs

Particulars	₹ in Lakhs	
	2025-26	2024-25
Interest & discounting charges	1,178.36	1,187.27
Interest on Lease Liability	75.91	63.18
Other Finance cost	71.29	32.01
Total	1,325.56	1,282.46



Note 33 : Depreciation and amortization expense

Particulars	₹ in Lakhs	
	2025-26	2024-25
Depreciation and amortization expense	1,444.22	1,499.62
Depreciation on Tangible & ROU Asset	1,373.50	1,365.87
Amortization on Intangible assets	70.72	133.75
Total	1,444.22	1,499.62



Note 34 : Other expenses

	₹ in Lakhs	
Particulars	2025-26	2024-25
Manufacturing expenses	9,234.63	8,934.86
Stores consumed	2,412.03	2,291.58
Power and fuel	282.58	291.87
Machinery spares	0.58	2.90
Repairs to machinery	192.93	283.01
Job work charges	2,184.16	2,385.58
Labour charges	4,039.03	3,578.73
Cost of services	0.75	6.07
Other manufacturing expenses	122.57	95.12
Selling expenses	8,088.05	8,926.11
Commission	260.01	225.96
Freight and forwarding	4,005.03	3,878.25
Warranty	2,687.43	3,940.84
Royalty	156.97	145.45
Advertisement and publicity	454.22	443.66
Provision for doubtful debts and advances (net) (Including expected credit loss)	70.13	98.87
Others selling expenses	454.26	193.08
Administration expenses	3,903.02	4,217.06
Rent	421.20	467.17
Rates and taxes	12.39	22.34
Insurance	27.23	29.03
Repairs to building	10.90	18.97
Other repairs and maintenance	717.83	722.00
Travelling and conveyance	1,145.74	1,228.35
Communication expenses	77.70	93.76
Printing and stationery	14.65	27.81
Professional charges*	568.35	401.29
Auditor's remuneration (Refer Note 38.5.3)	32.66	24.59
Spend on CSR activities (Refer Note 38.5.15)	-	27.52
Non Executive Directors' fees & commission	21.36	5.72
Miscellaneous expenses**	834.72	1,131.16
Net Loss on assets sold, demolished, discarded and scrapped	10.33	-
Bad debts and irrecoverable balances written off	7.96	11.97
Loss on Exchange difference	-	5.38
Total	21,225.70	22,078.03

*For terms and conditions with related parties, refer Note 38.5.9

**Includes Corporate Admin Fixed Allocation of Rs. 602.35 Lakhs (Rs. 961.19 lakhs in FY 2024-25).



Note 35 : Income tax

	₹ in Lakhs	
Particulars	2025-26	2024-25
Current tax	2,204.60	1,345.33
Current income tax	2,204.60	1,340.37
(Excess)/short provision related to earlier years	-	4.96
Deferred tax	153.24	106.37
Relating to origination and reversal or temporary difference	153.24	106.37
Income tax expense reported in the statement of profit and loss	2,357.84	1,451.70

	₹ in Lakhs	
Particulars	2025-26	2024-25
Deferred tax related to items recognised in OCI during the year		
Net loss/(gain) on actuarial gains and losses	3.07	(28.95)
Exchange differences in translating the financial statements of a foreign operation	-	-
Deferred tax charged to OCI	3.07	(28.95)

Reconciliation of tax expense and the accounting profit multiplied by applicable tax rate as notified under Income Tax Act, 1961 enacted in India for the years ended 31 March 2026 and 31 March 2025.

	₹ in Lakhs	
Particulars	2025-26	2024-25
Accounting profit before income tax expense	9,078.57	5,969.01
Tax @ 25.168% (31 March 2025 : 25.168%)	2,284.90	1,502.28
Tax effect of adjustments in calculating taxable income:	72.94	(50.58)
Disallowance Under IT	89.46	(82.02)
LTCG as per IT on sale of land	-	36.03
Change in tax rate of CG - Op Bal of DTA on loss	-	7.42
LTCG as per IT on sale of shares	-	21.74
Difference between Opening and Closing WDV of IT	-	(0.41)
Others	21.49	12.09
Fixed Assets - found non-existent debited to P & L	-	9.59
TDSCPC 24Q notice -disallowance of TDS	-	2.18
(Excess)/short provision related to earlier years	-	4.96
Setoff of Loss on which DTA not created	-	(45.97)
Difference in block of assets transferred Vs. BV transferred from KOEL - Business combination	(38.01)	-
Provision for doubtful deposits - allowed out of amount disallowed last year	-	(16.19)
At the effective income tax rate of 25.97% (31 March 2025 : 24.32%)	2,357.84	1,451.70
Deferred Tax on Long Term Capital Loss	-	-
Income Tax Reported in Statement of Profit & Loss	2,357.84	1,451.70

During the year 2019-20, new section 115BAA is introduced by the CBDT. As per this section, option is given to all existing companies to either pay Income tax as per the existing rates (i.e. 25% or 30% plus applicable surcharge and cess) or as per concessional rate of 22% plus applicable surcharge and cess. This new rate is available only if company forgoes certain exemptions and deductions. Since this new rate is beneficial, company has adopted the new tax rate of 25.168% (i.e. 22% including surcharge and cess) for computing Income tax & deferred tax for year ended 31 March 2026 (the rate for 31 March 2025 was 25.168%).



Note 36 : Exceptional items

₹ in Lakhs		
Particulars	2025-26	2024-25
Gratuity Provisions (Change of wage code effect)	72.72	-
Total	72.72	-

On November 21, 2025; the Government of India notified the four Labour Codes - The Code on Wages, 2019, The Industrial Relations Code, 2020, The Code on Social Security, 2020, and The Occupational Safety, Health and Working Conditions Code, 2020 - consolidating 29 existing labour laws. The Ministry of Labour & Employment published draft Central Rules and FAQs to enable assessment of the financial impact due to changes in regulations. The Company has assessed and disclosed the incremental impact of these changes on the basis of the notified codes, draft rules, FAQs, the best information available, and consistent with the guidance provided by the Institute of Chartered Accountants of India. Considering the materiality and regulatory-driven, non-recurring nature of this impact, the company has presented such incremental impact under Exceptional Items.



Note 37 : Discontinued Operations

₹ in Lakhs

Particulars	As at 31 March 2026	As at 31 March 2025
The results of the discontinued operation (Net of Inter Segment Sale)		
Revenue from operations and other income	322.00	2,157.01
Total Expenses	293.58	1,855.20
Profit/(loss) before tax (A)	28.42	301.81
Tax (B)	(19.97)	75.96
Profit/(loss) after tax (C = A - B)	48.39	225.85
Profit on sale of undertaking (D)	425.23	-
Tax on profit on sale of undertaking (E)	-	-
Profit after tax on sale of undertaking (F = D - E)	425.23	-
Total profit/(loss) before tax from discontinued operations (A + D)	453.65	301.81
Total Tax expense of discontinued operations (B + E)	(19.97)	75.96
Total profit/(loss) after tax from discontinued operations (C + F)	473.62	225.85
Cash flows:	988.49	312.99
Cash flow from operating activity	(81.51)	312.99
Cash flow from investing activity	1,070.00	-

1. The Board of Directors of the Company in its meeting held on 19th June 2025 approved the sale and transfer of its 'Cables, Wires & Pipes business' by way of Slump Sale on a going concern basis to M/s Vira Logistics, a partnership firm having its office situated at Rajkot, Gujarat 360035 ("Buyer"), at an aggregate consideration of Rs. 1070.00 lakhs subject to closing adjustments. The Business Transfer Agreement (BTA) was executed on 30th June 2025 (Closing date) between the Company and the Buyer. Pursuant to the aforesaid BTA the 'Cables, Wires & Pipes business' of the Company is transferred to the Buyer w.e.f. closing date.

Details of Slump Sale

Particulars	For the year ended 31 March 2026
Consideration received :	
Cash	1,070.00
Carrying amount of net asset sold	(644.77)
Gain on sale before income tax	425.23
Income tax expense on Gain	-
Gain on sale after income tax	425.23

The carrying of assets and liabilities as the date of sale (June 30,2025) were as follows :

Particulars	As at 30 June 2025
Property, plant and equipment	201.04
Right-of-use assets	32.23
Goodwill	126.57
Intangible assets	30.07
Other financial assets	28.11
Inventories	227.40
Trade receivables	84.30
Other current assets	-
Total Assets	729.72
Long-term provisions	19.26
Trade and other payables	22.78
Lease liabilities	33.47
Other financial liabilities	4.46
Other current liabilities	-
Short-term provisions	4.98
Total Liabilities	84.95
Net Asset	644.77



Note 38: Notes to and forming part of the financial statements as at and for the year ended 31 March 2026

1 Corporate Information

The company is a Private Limited Company domiciled in India and is incorporated under the provisions of the Companies Act 1956. The registered office and principal place of business of the company is located at Plot No. SM - 33, 34, 35, 36/1, Sanand - II Industrial Estate, Sanand GIDC, Sanand, Ahmedabad -382110. The books of accounts are maintained at the above mentioned registered office. The equity shares of the company are not listed on any stock exchanges in India.

The name of the Company has been changed from 'La-Gajjar Machineries Private Limited' to 'KOEL Fluid Dynamics Private Limited' with effect from 8th January 2026. The Company has received the new Certificate of Incorporation pursuant to the change of name from Registrar of Companies, Central Processing Centre, on 12th January 2026.

The company is a subsidiary company of Kirloskar Oil Engines Ltd.

The company is engaged in the business of manufacturing and sales of Submersible Pumps, Electric Motors, Electrical panels, Small engines, Industrial pumps and spares thereof.

The Board of Directors of the Company in its meeting held on 10th October 2025 approved the proposal for purchase of Business to Customer ("B2C") business segment of Kirloskar Oil Engines Limited ('KOEL - Holding Company') i.e. Water Management Solutions ("WMS") - Domestic & Exports Business, on a going concern basis by way of slump sale. The aforesaid B2C business segment of KOEL is transferred to the Company with effect from 11th October 2025. Refer note 38.5.21.

The standalone financial statements were approved by the Board of Directors and authorized for issue on 27-04-2026.

2 Basis of preparation of Financial Statements

The Company's standalone financial statements have been prepared in accordance with the provisions of the Companies Act, 2013 and the Indian Accounting Standards ("Ind AS") as issued under the Companies (Indian Accounting Standards) Rules, 2015 and amendments thereof issued by the Ministry of Corporate Affairs in exercise of the powers conferred by section 133 read with rule 7 of the companies (Accounts) Rules, 2014. In addition, the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied.

The standalone financial statements have been prepared on a historical cost basis, except for,

- (i) the investments which have been measured at fair value as they are classified as fair value through profit or loss or fair value through other comprehensive income.
- (ii) defined benefit plans - plan assets measured at fair value

Amounts in the financial statements are presented in Indian Rupees in Lakhs rounded off to two decimal places as permitted by Schedule III to the Companies Act, 2013 unless otherwise stated.

3 Significant accounting judgements, estimates and assumptions

The preparation of the company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The Company continually evaluates these estimates and assumptions based on the most recently available information. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable.

3.1 Judgements

In the process of applying the company's accounting policies, the management has made the following judgements, which have the most significant effect on the amounts recognized in the standalone financial statements:

Lease

The company had applied provisions of Ind AS 116 effective 01st April, 2019. The said standard provides for certain recognition exemptions for short term leases as well as provides for certain criteria when the lease contracts are non-enforceable. The determination of lease term for the purpose of availing such exemptions and evaluation of such criteria for non-enforceability of a contract involves significant judgment.

Revenue Recognition

The company generally recognizes revenue when the performance obligation is satisfied at a point in time when the control is transferred i.e. either on shipment or upon delivery in domestic and in case of export on the date of bill of lading. Refer material accounting policy Note 38.4.18 & Note 38.5.7 on revenue recognition.

3.2 Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The company bases its assumptions and estimates on information available till the date of approval of these standalone financial statements. The assumptions and estimates, however, may change based on future developments, due to market conditions or due to circumstances arising that are beyond the control of the company. Such changes are reflected in the assumptions and estimates when they occur.



Defined benefit plans

The cost of the defined benefit plans and other post-employment benefits and the present value of the obligation are determined using actuarial valuation. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future post-retirement medical benefit increase. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The most sensitive parameter is the discount rate. In determining the appropriate discount rate, management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation and extrapolated as needed along the yield curve to correspond with the expected term of the defined benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at intervals in response to demographic changes. Future salary increases are mainly based on expected future inflation rates for the country.

Further details about defined benefit obligations are provided in Note 38.5.6

Deferred Tax

Deferred tax assets are recognized for all deductible temporary differences including the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

Warranty

The Group recognises provision for warranties in respect of the products that it sells. The estimates are established using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidences based on actions on product failures.

Impairment of Goodwill recognized under Business Combination

The company estimates whether goodwill accounted under business combination has suffered any impairment on annual basis. For this purpose, the recoverable amount of the CGU was determined based on value in use calculations which require the use of assumptions.

4 Material Accounting Policies

4.1 Current Vs Non-Current Classification

The company presents assets and liabilities in the Balance Sheet based on current / non-current classification.

An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non - current.

A liability is current when it is:

- Expected to be settled in normal operating cycle
- Held primarily for the purpose of trading
- Due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are treated as non - current.

Deferred tax assets and liabilities are classified as non - current assets and liabilities.

4.2 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, Or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the company.

The Company measures the fair value of an asset or a liability assuming that market participants would use it when pricing the asset or liability and that market participants act in their best economic interest.



A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized 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 or indirectly observable.
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the standalone financial statements on a recurring basis, the company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The company's management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value.

External valuation experts are involved for valuation of significant assets and liabilities. Involvement of external valuation experts is decided upon annually by the management.

Methods and assumptions used to estimate the fair values are consistently followed.

4.3 Property, Plant and Equipment

- a. The company has adopted Ind AS from transition date 1st April 2016. Accordingly the company has elected to continue with the carrying value of all of its Property, plant and equipment measured as per the Indian GAAP as at 31 March 2016 and use those values as deemed cost.

Property, plant and equipment; and capital work in progress are stated at cost, net of accumulated depreciation and/or accumulated impairment losses, if any, other than those acquired in a business combination. Cost represents all expenses directly attributable to bringing the asset to its working condition capable of operating in the manner intended. Such cost includes the cost of replacing parts of the property, plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of property, plant and equipment are required to be replaced at intervals, the company recognises such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the Property, Plant and Equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the Standalone Statement of Profit and Loss as incurred.

- b. Capital work-in-progress comprises cost of property, plant and equipment that are not yet installed and ready for their intended use at the balance sheet date.

- c. Own manufactured assets are capitalised at cost including an appropriate share of allocable expenses.

Depreciation and Amortization

Depreciation is charged on the basis of useful life of assets on Straight Line method which are as follows:

Asset Category	Life in Years	Basis for useful life
Leasehold improvements	Lease Period	Amortised over lease period
Factory Building	30	Life as prescribed under Schedule-II of Companies Act, 2013
Non-Factory building	60	Life as prescribed under Schedule-II of Companies Act, 2013
Plant & Equipment other than pattern tooling	10-15	Life as prescribed under Schedule-II of Companies Act, 2013
Plant & Equipment - Pattern Tooling including Jigs & Fixtures	1-15	Lower / Higher useful life considered based on past history of usage
Computers		
Network	6	Life as prescribed under Schedule-II of Companies Act, 2013
End user devices, such as, desktops, laptops, etc.	3 - 5	Higher useful life considered based on past history of usage
Servers	6	Life as prescribed under Schedule-II of Companies Act, 2013
Electrical Installations	10	Life as prescribed under Schedule-II of Companies Act, 2013



Furniture & Fixture		
Furniture, Fixtures and Electrical Fittings	10	Life as prescribed under Schedule-II of Companies Act, 2013
AC, Refrigerators and Water coolers - Company and Guest House Premises	5	Life as prescribed under Schedule-II of Companies Act, 2013
Office Equipment	5	Life as prescribed under Schedule-II of Companies Act, 2013
Vehicles		
Motorcars, Jeep	8	Life as prescribed under Schedule-II of Companies Act, 2013
Two Wheelers	10	
Other Vehicles	8	

- Used assets obtained under Business Combination are measured based on their remaining useful life as on the date of acquisition.
- Depreciation on additions is provided from the beginning of the month in which the asset is ready to use.
- Depreciation on assets sold, discarded or demolished during the year is being provided at their respective rates on pro-rata basis up to the end of the month prior to the month in which such assets are sold, discarded or demolished.
- Foreign exchange fluctuation gain/ loss on imported plant and equipment were charged to Profit & Loss statement up to transition date of Ind AS.

The company, based on technical assessments made by technical experts and management estimates and depreciates certain items of plant and equipment over a useful lives which is different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

An item of property, plant and equipment is derecognized 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 Standalone Statement of Profit and Loss when the asset is derecognized.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Security:

As at 31 March 2026, Properties, Plant & Equipment with a carrying amount of ₹2299.94 Lakhs (31 March 2025 ₹ 2699.35 Lakhs) are subject to first charge to secure bank loan. Refer note 16 Borrowings.

4.4 Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the property are required to be replaced at intervals, the company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in the statement of profit and loss as incurred.

An investment property is derecognised on disposal or on permanent withdrawal from use or when no future economic benefits are expected from its 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 statement of profit and loss when the asset is derecognised.

Transfers are made to (or from) investment property only when there is a change in use. Transfers between investment property, owner-occupied property and inventories are at carrying amount of the property transferred.

4.5 Intangible Assets

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of the asset can be measured reliably.

Intangible assets are recorded at the consideration paid for its acquisition. In case of internally generated intangible assets, expenditure incurred in development phase, where it is reasonably certain that the outcome of development will be commercially exploited to yield future economic benefits to the company, is considered as an intangible asset. Such developmental expenditure is capitalized at cost including a share of allocable expenses.

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

Intangible assets with finite useful lives are amortised by using Straight Line method over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset maybe impaired. Amortisation of Intangible assets is included in the depreciation and amortisation in the statement of Profit and Loss.

Asset category	Life in years
1. Computer Software	3 - 5 years
2. Customer Relationship	5 years
3. Brands	10 years
4. Technical Knowhow-Acquired	5 years



The amortisation period and 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.

Intangible assets with indefinite useful lives, if any are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

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 and loss when the asset is derecognised.

4.6 Borrowing Cost

Borrowing Costs net of any investment income from temporary investment of related borrowings that are directly attributable to the acquisition, construction or production of qualifying assets are capitalized till the month in which the asset is ready to use, as part of the cost of that asset. Other borrowing costs are recognised as expenses in the period in which these are incurred.

4.7 Impairment of non-financial assets

The company assesses at each balance sheet date whether there is any indication due to internal or external factors that an asset or a group of assets comprising a Cash Generating Unit (CGU) may be impaired. If any such indication exists, the company estimates the recoverable amount of the assets. If such recoverable amount of the assets or the recoverable amount of the CGU to which the asset belongs is less than the carrying amount of the assets or the CGU as the case may be, the carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognized in the profit and loss account. If at any subsequent balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at recoverable amount subject to a maximum of depreciated historical cost and is accordingly reversed in the profit and loss account.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired. An impairment loss for an asset is reversed if, and only if, the reversal can be related objectively to an event occurring after the impairment loss was recognised or relates to a change in the estimate of the recoverable amount in the previous periods.

4.8 Financial instruments – initial recognition and subsequent measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

a) Financial assets

(i) Initial recognition and measurement of financial assets

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial assets. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

(ii) Subsequent measurement of financial assets

For the purposes of subsequent measurement, financial assets are classified in three categories:

- Financial assets at amortised cost
- Financial assets at fair value through other comprehensive income (FVOCI)
- Financial assets at fair value through profit or loss (FVTPL)
- Financial assets at amortised cost :

A financial asset is measured at amortised cost if:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured by applying the effective interest rate (EIR) to the gross carrying amount of a financial asset if applicable. The EIR amortisation is included in finance income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss.

- Financial assets at fair value through other comprehensive income

A financial asset is measured at fair value through other comprehensive income if:

- the financial asset 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.

After initial measurement, such financial assets, until they are derecognised or reclassified, are subsequently measured at fair value with unrealised gains or losses recognised in other comprehensive income except for interest income, impairment gains or losses and foreign exchange gains and losses which are recognised in the statement of profit and loss.



- Financial assets at fair value through profit or loss

A financial asset is measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income.

Equity Instruments

Investment in equity instruments issued by subsidiary are measured at cost.

In addition, the company may elect to classify a financial asset, which otherwise meets amortized cost or fair value through other comprehensive income criteria, as at fair value through profit or loss. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

After initial measurement, such financial assets are subsequently measured at fair value with unrealised gains or losses recognised in the statement of profit and loss.

(iii) Derecognition of financial assets

A financial asset is derecognised when:

- the contractual rights to the cash flows from the financial asset expire,
- or
- The company has transferred its contractual rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party and either (a) the company has transferred substantially all the risks and rewards of the asset, or (b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the company continues to recognise the transferred asset to the extent of the company's continuing involvement. In that case, the company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the company has retained.

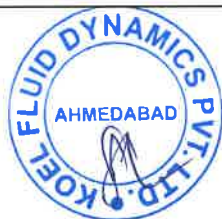
Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the company could be required to repay.

(iv) Reclassification of financial assets

The company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The company's senior management determines change in the business model as a result of external or internal changes which are significant to the company's operations. Such changes are evident to external parties. A change in the business model occurs when the company either begins or ceases to perform an activity that is significant to its operations. If the company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassifications and how they are accounted for

Original classification	Revised classification	Accounting treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in the statement of Profit and loss.
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised cost	FVOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to statement of profit and loss at the reclassification date.



(v) Impairment of financial assets

In accordance with Ind AS 109, the company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortised cost.
- Financial assets that are debt instruments and are measured as at FVOCI
- Lease receivables under Ind AS 116
- Trade receivables under Ind AS 115

The company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables resulting from transactions within the scope of Ind AS 115, if they do not contain a significant financing component
- Trade receivables or contract assets resulting from transactions within the scope of Ind AS 115 that contain a significant financing component, if the company applies practical expedient to ignore separation of time value of money, and
- All lease receivables resulting from transactions within the scope of Ind AS 116

The application of simplified approach does not require the company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events on a financial instrument that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the company in accordance with the contract and all the cash flows that the company expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the company is required to use the remaining contractual term of the financial instrument.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss. This amount is reflected in a separate line in the P&L as an impairment gain or loss. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost, contract assets and lease receivables: ECL is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the company does not derecognize impairment allowance from the gross carrying amount.
- Loan commitments: ECL is presented as a provision in the balance sheet, i.e. as a liability.

For assessing increase in credit risk and impairment loss, the company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

b) Financial Liabilities

(i) Initial recognition and measurement of financial liabilities

All financial liabilities are recognised initially at fair value minus, in the case of financial liabilities not recorded at fair value through profit or loss, transaction costs that are attributable to the issue of the financial liabilities.

(ii) Subsequent measurement of financial liabilities

For the purposes of subsequent measurement, financial liabilities are classified and measured as follows:

- Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.



Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risks are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The company has not designated any financial liability as at fair value through profit and loss.

- **Loans and Borrowings at amortised Cost**

This is the category most relevant to the company. After initial recognition, interest-bearing borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Preference shares, which are mandatorily redeemable on a specific date, are classified as liabilities. The dividend on these preference shares are recognised in profit or loss as finance cost.

(iii) **Derecognition of financial liabilities**

A financial liability (or a part of a financial liability) is derecognised from its balance sheet when, and only when, it is extinguished i.e. when the obligation specified in the contract is discharged or cancelled or expired.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

4.9. Derivatives

Company uses derivative contracts to hedge its exposure against movements in foreign exchange rates. The use of derivative contracts is intended to reduce the risk or cost to the company. Derivative contracts are not used for trading or speculation purpose.

All derivatives are measured at fair value through the profit or loss unless they form part of a qualifying cash flow hedge, in which case the fair value is taken to reserves and released into the statement of profit and loss at the same time as the risks on the hedged instrument are recognised therein. Any hedge ineffectiveness will result in the relevant proportion of the fair value remaining in the statement of profit and loss. Fair values are derived primarily from discounted cash-flow models, option-pricing models and from third-party quotes. Derivatives are carried as assets when their fair values are positive and as liabilities when their fair values are negative. All hedging activity is explicitly identified and documented by the company.

4.10. Foreign Currency Transactions

a. Initial Recognition

Foreign currency transactions are recorded in Indian currency, by applying the exchange rate between the Indian currency and the foreign currency at the date of the transaction.

b. Conversion

Current assets and current liabilities, Secured Loans, being monetary items, designated in foreign currencies are revalored at the rate prevailing on the date of Balance Sheet or forward contract rate or other appropriate rate.

c. Exchange Differences

Exchange differences arising on the settlement and conversion of foreign currency transactions are recognised as income or as expenses in the year in which they arise.

4.11. Leases

Lease is a contract that provides to the customer (lessee) the right to use an asset for a period of time in exchange for consideration.

a. Company as a lessee

A lessee is required to recognise assets and liabilities for all leases and to recognise depreciation of leased assets separately from interest on lease liabilities in the statement of Profit and Loss. The Company uses the practical expedient to apply the requirements of this standard to a portfolio of leases with similar characteristics if the effects on the financial statements of applying to the portfolio does not differ materially from applying the requirement to the individual leases within that portfolio.



However, when the lessee and the lessor each have the right to terminate the lease without permission from the other party with no more than an insignificant penalty the Company considers that lease to be no longer enforceable. Also according to Ind AS 116, for leases with a lease term of 12 months or less (short-term leases) and for leases for which the underlying asset is of low value, the lessee is not required to recognize right-of-use asset and a lease liability. The Company applies both recognition exemptions. The lease payments associated with those leases are generally recognized as an expense on a straight-line basis over the lease term or another systematic basis if appropriate.

Right-of-use Asset

Right-of-use assets, which are included under property, plant and equipment, are measured at cost less any accumulated depreciation and, if necessary, any accumulated impairment. The cost of a right-of-use asset comprises the present value of the outstanding lease payments plus any lease payments made at or before the commencement date less any lease incentives received, any initial direct costs and an estimate of costs to be incurred in dismantling or removing the underlying asset. In this context, the Company also applies the practical expedient that the payments for non-lease components are generally recognized as lease payments. If the lease transfers ownership of the underlying asset to the lessee at the end of the lease term or if the cost of the right-of-use asset reflects that the lessee will exercise a purchase option, the right-of-use asset is depreciated to the end of the useful life of the underlying asset. Otherwise, the right-of-use asset is depreciated to the end of the lease term.

Lease Liability

Lease liabilities, which are assigned to financing liabilities, are measured initially at the present value of the lease payments. Subsequent measurement of a lease liability includes the increase of the carrying amount to reflect interest on the lease liability and reducing the carrying amount to reflect the lease payments made.

Lease Modification

For a lease modification that is not accounted for as a separate lease, the company accounts for the re-measurement of the lease liability by making a corresponding adjustment to the right-of-use asset.

b. Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Where the Company is a lessor under an operating lease, the asset is capitalised within property, plant and equipment and depreciated over its useful economic life. Payments received under operating leases are recognised in the Statement of profit and Loss on a straight-line basis over the term of the lease.

4.12. Inventories

- a. Raw materials, components, stores and spares are valued at cost or net realizable value whichever is lower. Cost includes all cost of purchase and incidental expenses incurred in bringing the inventories to their present location and condition.
- b. Work-in-process including finished components and finished goods are valued at cost or realisable value whichever is lower. Cost includes direct materials, labour costs and a proportion of manufacturing overheads based on the normal operating capacity.
- c. Materials-in-transit and materials in bonded warehouse are valued at actual cost incurred up to the date of balance sheet.
- d. Unserviceable, damaged and obsolete inventory is valued at cost or net realisable value whichever is lower.

Cost of Inventory is ascertained using weighted average cost formula. 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.

4.13. Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short term, highly liquid investments that are readily convertible into known amounts of cash which are subject to an insignificant risk of changes in value. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

4.14. Taxes

Current income tax

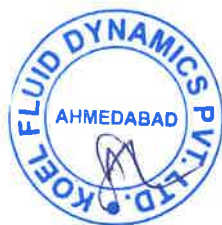
Current income tax assets and liabilities are measured at the amounts expected to be recovered from or paid to the taxation authorities; on the basis of the taxable profits computed for the current accounting period in accordance with Income Tax Act, 1961 and book profit in case of minimum alternate tax under section 115JB of Income Tax Act, 1961 if applicable. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current income tax relating to items recognised in other comprehensive income or directly in equity is recognised in other comprehensive income or in equity, respectively, and not in the statement of Profit and Loss. The 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 deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax liabilities 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.

Deferred tax assets are recognised for all deductible temporary differences including, 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 arrangements, 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 the statement of profit and loss is recognised outside the profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income 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.

Sales tax / GST

Expenses and assets are recognised net of the amount of GST, except:

- When the GST incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- When receivables and payables are stated with the amount of GST included.

The net amount of Sales tax / GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

4.15. Non-Current Assets held for sale and Discontinuing operations

A. Non-Current Assets held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. This condition is regarded as met only when the sale is highly probable and the asset or disposal group is available for immediate use in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

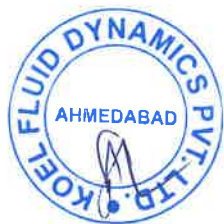
B. Discontinuing operations

Discontinuing operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit and loss account.

Assets and liabilities classified as held for distribution are presented separately from others assets and liabilities in the balance sheet.

A disposal group qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- Represents a separate major line of business or geographical area of operations,



- b) Is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations

Or

- c) Is a subsidiary acquired exclusively with a view to resale

An entity does not depreciate (or amortise) a non-current asset while it is classified as held for sale or while it is part of a disposal group classified as held for sale.

4.16. Employee Benefits

- a) Short Term Employee Benefits

The distinction between short term and long term employee benefits is based on expected timing of settlement rather than the employee's entitlement benefits. All employee benefits payable within twelve months of rendering the service are classified as short term benefits. Such benefits include salaries, wages, bonus, short term compensated absences, awards, ex-gratia, performance pay etc. and are recognised in the period in which the employee renders the related service.

- b) Post-Employment Benefits

- (i) Defined contribution plan

The Company makes payment to approved superannuation schemes, state government provident fund scheme and employee state insurance scheme which are defined contribution plans. The contribution paid/payable under the schemes is recognised in the Statement of Profit and Loss during the period in which the employee renders the related service. The Company has no further obligations under these schemes beyond its periodic contributions.

- (ii) Defined benefit plan

The employee's gratuity fund scheme is Company's defined benefit plans. The present value of the obligation under such defined benefit plans is determined based on the actuarial valuation using the Projected Unit Credit Method as at the date of the Balance sheet. In case of funded plans, the fair value of plan asset is reduced from the gross obligation under the defined benefit plans, to recognise the obligation on a net basis.

Re-measurements, 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. Re-measurements are not reclassified to the profit or loss in subsequent periods.

Past service costs are recognised in the statement of profit and loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income.

(iii) The employee's long term compensated absences are Company's other long term benefit plans. The present value of the obligation is determined based on the actuarial valuation using the Projected Unit Credit Method as at the date of the Balance Sheet. In case of funded plans, the fair value of plan asset is reduced from the gross obligation, to recognise the obligation on a net basis.

In regard to other long term employment benefits, the Company recognises the net total of service costs; net interest on the net defined benefit liability (asset); and remeasurements of the net defined benefit liability (asset) in the Statement of Profit and Loss.



4.17. Provisions and Contingencies

Necessary provisions are made for the present obligations that arise out of past events entailing future outflow of economic resources. Such provisions reflect best estimates based on available information.

However 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. When 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.

4.18. Revenue Recognition

The company recognizes revenue, when or as control over distinct goods or services is transferred to the customer; i.e. when the customer is able to direct the use of the transferred goods or services and obtains substantially all of the remaining benefits, provided a contract with enforceable rights and obligations exists and amongst others collectability of consideration is probable taking into account our customer's creditworthiness.

Revenue is the transaction price the company expects to be entitled to. Variable consideration is included in the transaction price if it is highly probable that a significant reversal of revenue will not occur once associated uncertainties are resolved.

The amount of variable consideration is calculated by either using the expected value or the most likely amount depending on which is expected to better predict the amount of variable consideration.

Consideration is adjusted for the time value of money if the period between the transfer of goods or services and the receipt of payment exceeds twelve months and there is a significant financing benefit either to the customer or the company. If a contract contains more than one distinct good or service, the transaction price is allocated to each performance obligation based on relative stand-alone selling prices. If stand-alone selling prices are not observable, the company reasonably estimates those. Revenue is recognized for each performance obligation either at a point in time or over time.

Performance obligations are identified based on individual terms of contract. If a contract contains more than one distinct good or service, the transaction price is allocated to each performance obligation based on relative stand-alone selling prices. If stand-alone selling prices are not observable, the company reasonably estimates them. Revenue is recognized for each performance obligation either at a point in time or over time.

The incremental cost to obtain a contract are recognised as an asset if the company expects to recover those cost over the period of contract. Company recognises the incremental costs of obtaining a contract as an expense, when incurred, if the amortisation period of the asset that the entity otherwise would have recognised is one year or less.

In case of bill and hold arrangements, revenue is recognized when the company completes its performance obligation to transfer the control of the goods to the customer in accordance with the agreed upon specifications in the contract for which the customer has accepted the control. Such goods are identified and kept ready for delivery based on which revenue is recognised.

The Company completes its performance obligation to transfer the control of the goods to the customer in accordance with the agreed upon specifications in the contract for which customer accepts the same and confirms to the Company basis which criteria for bill and hold is met.

The Company has identified the goods as belonging to the customer and stored them separately in the factory premises until goods are cleared from the factory premises. The goods are ready for physical transfer to the customer from the factory premises of the Company. The Company cannot use the goods for any other purpose or to direct it to another customer.

Contract Balances

Trade Receivable

The amounts billed on customer for work performed and are unconditionally due for payment i.e. only passage of time is required before payment falls due, are disclosed in the Balance Sheet as trade receivables.

Contract Liability

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. Contract liabilities are recognised when the company performs under the contract.



Other Income

Interest Income from a Financial Asset

Interest Income from a Financial Asset is recognized using effective interest rate method.

Others

Other items of income are accounted as and when the right to receive such income arises and it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably.

4.19. Government Grant

Grants and subsidies from the government are recognized if the following conditions are satisfied,

- There is reasonable assurance that the company will comply with the conditions attached to it.
- Such benefits are earned and reasonable certainty exists of the collection.

Export Incentives

Export incentives under various schemes notified by government are accounted for in the year of exports as grant related to income and is recognized as other operating income in the statement of profit and loss if the entitlements can be estimated with reasonable accuracy and conditions precedent to claim are fulfilled.

4.20. Cash dividend

The company recognises a liability to make cash distributions to the equity holders of the company when the distribution is authorised and the distribution is no longer at the discretion of the company. As per the provisions of Companies Act, 2013, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

Non-cash distributions, if any, are measured at the fair value of the assets to be distributed with fair value re-measurement recognised directly in equity.

Upon distribution of non-cash assets, any difference between the carrying amount of the liability and the carrying amount of the assets distributed is recognised in the statement of profit and loss.

4.21. Earnings Per Share

Earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For 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

4.22. Cash Flow Statement

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non cash nature and any deferral or accruals of past or future cash receipts or payments. The cash flows from regular operating, investing and financing activities of the company are segregated.

Cash and cash equivalents (including bank balances) shown in the Statement of cash flows exclude items which are not available for general use as at the date of the Balance sheet.

4.23. Segment Reporting

a. Identification of Segments

The Company's business model is strategically divided into two distinct market-facing verticals: Domestic and Export. While we have three core product lines (Electric Pumps, Small Engine and Industrial Pumps), these are secondary to the geographical market dynamics. Therefore, the company has identified domestic and export as its reportable segments.

b. Allocation of common costs

Common allocable costs are allocated to the Domestic and export business segment based on sales of respective business segment to the total sales of the company.

c. Unallocated items

Corporate assets and liabilities, income and expenses which relate to the company as a whole and are not allocable to segments, are included under other reconciling items.



4.24. Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of acquisition date fair values of the assets transferred by the company, liabilities incurred by the company to the former owners of the acquiree and the equity interests issued by the company in exchange for control of the acquire. Acquisition related costs are generally recognized in profit or loss as incurred.

Goodwill is measured as the excess of,

- the sum of consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held equity interest in the acquiree (if any)
- over the net of the acquisition date amounts of the identifiable assets acquired and the liabilities assumed.

When the consideration transferred by the company in a business combination includes assets or liabilities resulting from a contingent arrangement, the contingent consideration is measured at its acquisition date fair value and included as part of the consideration transferred in a business combination. Contingent consideration that is classified as an asset or liability is re-measured at subsequent reporting dates in accordance with Ind AS 109 Financial Instruments or Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets, with the corresponding gain or loss being recognised in profit or loss.

Business combinations under common control is accounted in accordance with "Pooling of Interest Method" laid down by Appendix C of Indian Accounting Standards 103 (Ind AS 103): (Business combinations of entities under common control), notified under the Companies Act 2013. The assets and liabilities of the combining entities are reflected at their carrying amounts. The identity of the reserves is to be preserved and shown in the financial statements of the transferee in the same form in which they appeared in the financial statements of the transferor. The difference, if any, between the amount recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and presented separately from other capital reserves with disclosure of its nature and purpose in the notes. The financial information in the financial statements in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. However, if business combination had occurred after that date, the prior period information shall be restated only from that date.



5 Additional notes to the Financial Statements

5.1 Contingent Liabilities

	₹ in Lakhs	
	2025-26	2024-25
a Contingent liability		
i. Disputed Sales Tax and GST Demands (₹ 68.94 Lakhs paid as deposit)	359.39	298.58
ii. Performance Bank Guarantee Outstanding	1,065.62	1,025.41
iii. Claims against the company not acknowledged as debts	-	6.24
iv. Disputed Case Pending under Consumer Forum	7.57	1.28
v. Central Excise Demands (₹ 87.73 Lakhs paid as deposit)	1,569.80	1,569.80
	3,002.38	2,901.31
b Other Contingent liabilities		
i. Aggregate amount of such letters of credit outstanding for working capital facilities extends to letter of credit issued by the Company's bankers)	68.18	61.76
	68.18	61.76

5.2 Commitments

	₹ in Lakhs	
Particulars	2025-26	2024-25
(i) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	291.41	129.42

(ii) Aggregate amount of Bank Guarantees other than the Performance Guarantees outstanding as on 31 March 2026 is ₹ Nil (₹ Nil as on 31 March 2025).

(iii) Leases

a Profit and Loss information

Depreciation charge on right-of-use assets:

	₹ in Lakhs	
Particulars	2025-26	2024-25
Buildings	333.16	589.19
Land	33.77	33.77
Total	366.93	622.96

Interest expense on lease liabilities:

	₹ in Lakhs	
Particulars	2025-26	2024-25
Buildings	75.91	63.18
Total	75.91	63.18



b Maturity analysis of lease liabilities

₹ in Lakhs

Particulars	2025-26	2024-25
Less than 1 year	299.12	322.20
Between 1 year to 5 years*	343.67	847.82
More than 5 years	220.10	312.40
Total undiscounted lease liabilities	862.89	1,482.42
Lease liabilities included in the statement of financial position		
Non-current financial liabilities	436.05	950.56
Current financial liabilities	254.89	298.72
Total	690.94	1,249.28

* Refer Note(d) extension and termination options for more details.

c Total cash outflow for leases

₹ in Lakhs

Particulars	2025-26	2024-25
Amortization of the lease liabilities (including advance payments)	339.10	592.89
Short term leases and low-value asset leases not included in the measurement	-	-
Total	339.10	592.89

d Other information**Nature of leasing activity**

The Company has leases for Office Building and Factory Buildings. Certain lease contracts provide for payments to increase each year by inflation or and in others to be reset periodically to market rental rates. While other lease contracts comprise only fixed payments over the lease terms.

Extension and termination options

The use of extension and termination options gives the Company added flexibility in the event it has identified more suitable premises in terms of cost and/or location or determined that it is advantageous to remain in a location beyond the original lease term. An option is only exercised when consistent with the Company's regional markets strategy and the economic benefits of exercising the option exceeds the expected overall cost.

5.3 Payment to Auditors (Net of taxes)

₹ in Lakhs

Sr.No.	Particulars	2025-26	2024-25
a	Statutory Auditor		
i	As auditors	24.00	20.00
	Audit fees	17.50	13.75
	Tax audit fees	3.50	3.25
	Limited review	3.00	3.00
ii	Certification fees & assurance services	5.53	1.95
iii	Reimbursement of expenses	0.88	0.52
	Total (a)	30.41	22.47
b	Cost Auditor		
i	As auditors	2.25	2.25
ii	In other capacity		
	Certification fees	-	-
	Reimbursement of expenses	-	-
	Total (b)	2.25	2.25
	Grand total (a+b)	32.66	24.72



- 5.4 The Company's exports qualify for export benefits offered in the form of duty credit scrips and duty drawback under foreign trade policy framed by Department General of Foreign Trade (DGFT). Income accounted towards such export incentives and duty drawback amounts to ₹ 629.36 Lakh in FY 2025-26 (2024-25 ₹ 500.46 Lakh) included in revenue from operations.
- 5.5 The company has amounts due to suppliers under The Micro, Small and Medium Enterprises Development Act 2006 (MSMED Act) as at 31 March 2026. The disclosure pursuant to the said Act is as under.

Particulars	₹ in Lakhs	
	2025-26	2024-25
Principal outstanding to MSME suppliers	4,901.61	3,580.84
Payment made to suppliers (other than interest) beyond the appointed day, during the year	2,653.47	1,418.50
Interest due and payable to suppliers under MSMED Act, for the payments	-	-
Interest due on principle amount remaining unpaid as on year end date	-	-
Interest accrued and remaining unpaid at the end of the year to suppliers	235.77	236.68

The Information has been given in respect of such vendors on the basis of information available with the company.



5.6 : Disclosure pursuant to Employee benefits

A. Defined contribution plans:

Amount of Rs. 302.91 Lakhs (31 March 2025 : Rs. 332 Lakhs) is recognised as expenses and included in Note No. 31 "Employee Benefits Expense"

B. Defined benefit plans:

The Company has following post employment benefits which are in the nature of defined benefit plans:

(a) Gratuity

March 31, 2026 : Changes in defined benefit obligation and plan assets										Remeasurement gains/(losses) in other comprehensive income					₹ in Lakhs
Gratuity cost charged to statement of profit and loss															
	April 1, 2025	Service cost	Net interest expense	Sub-total included in statement of profit and loss (Note 31)	Benefit paid	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Sub-total included in OCI	Contributions by employer	Transfer In/Transfer Out (Impact due to business combination) Refer note 38.5.21	March 31, 2026		
Gratuity	(973.02)	(80.96)	(45.85)	(126.81)	188.65	-	-	31.23	5.60	36.83	-	(2.74)	(877.09)		
Fair value of plan assets	605.92	-	20.36	20.36	(188.65)	1.97	-	-	-	1.97	220.29	(59.04)	600.85		
Benefit liability	(367.10)	(80.96)	(25.49)	(106.45)	-	1.97	-	31.23	5.60	38.80	220.29	(61.78)	(276.24)		

(b) Compensated Absences - The Company has Compensated absences plan which is covered by other long-term employment benefits

March 31, 2026 : Changes in defined benefit obligation and plan assets										₹ In Lakhs	
Cost charged to Statement of Profit and Loss											
April 1, 2025	Service cost	Interest cost	Actuarial changes arising from various assumptions	Sub-total included in Statement of Profit and Loss (Note 31)	Benefit paid	Contributions by employer	Transfer In/Transfer Out (Impact due to business combination) Refer note 38.5.21	March 31, 2026			
Compensated absences											
Defined benefit obligation	(62.08)	(3.40)	(3.40)	(151.80)	13.22	-	(54.05)	(258.11)			
Fair value of plan assets	-	-	-	-	-	-	-	-	-		
Benefit liability	(62.08)	(3.40)	(3.40)	(151.80)	13.22	-	(54.05)	(258.11)			

March 31, 2025 : Changes in defined benefit obligation and plan assets										Remeasurement gains/(losses) in other comprehensive income					₹ In Lakhs
Gratuity cost charged to statement of profit and loss															
April 1, 2024	Service cost	Net interest expense	Sub-total Included in statement of profit and loss (Note 31)	Benefit paid	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Sub-total Included in OCI	Contributions by employer	Transfer In/Transfer Out (Impact due to business combination)	March 31, 2025			
Gratuity	(772.32)	(93.25)	(56.96)	(150.21)	60.57	(21.80)	(75.48)	(13.78)	(111.06)	-	-	(973.02)			
Defined benefit obligation															
Fair value of plan assets	532.69	-	40.89	40.89	(60.57)	(3.83)	-	-	(3.83)	96.74	-	605.92			
Benefit liability	(239.63)	(93.25)	(16.07)	(109.32)	-	(3.83)	(75.48)	(13.78)	(114.89)	96.74	-	(367.10)			



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Notes to the Financial Statements

(b) Compensated Absences

March 31, 2025 : Changes in defined benefit obligation and plan assets										₹ In Lakhs
Cost charged to Statement of Profit and Loss										
April 1, 2024	Service cost	Interest cost	Actuarial changes arising from various assumptions	Sub-total included in Statement of Profit and Loss (Note 31)	Benefit paid	Contributions by employer	In/Transfer Out (Impact due to business combination) Refer note 38.5.21			March 31, 2025
Compensated absences										
Defined benefit obligation	(152.88)	15.08	(10.52)	13.26	13.47	64.07	-	-	-	(62.08)
Fair value of plan assets	-	-	-	-	-	-	-	-	-	-
Benefit liability	(152.88)	15.08	(10.52)	13.26	13.47	64.07	-	-	-	(62.08)



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The major categories of plan assets of the fair value of the total plan assets of Gratuity are as follows:

Particulars	Rs.	Year ended 31 March 2026	Year ended 31 March 2025
Special Deposit Scheme (%) of total plan assets	-	-	-
Insured managed funds (%) of total plan assets	600.85	100%	605.92
Others (%) of total plan assets	-	-	100%

The principal assumptions used in determining above defined benefit obligations for the Company's plans are shown below:

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Discount rate	7.10%	6.61% - 6.70%
Future salary increase	10.00%	7% - 10%
Expected rate of return on plan assets	6.61%	6.61% - 7.20%
Expected average remaining working lives (in years)		
Gratuity	5.60	6 - 20.17
Compensated absences	5.62	NA
Withdrawal rate (based on grade and age of employees)		
Gratuity		
For service 4 years and below	30%	30%
For service 5 years and above	9%	9% - 12%
Compensated absences		
For service 4 years and below	30%	NA
For service 5 years and above	9%	NA

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

Gratuity		(Increase) / decrease in defined benefit obligation (Impact)		₹ In Lakhs
Particulars	Sensitivity level	Year ended 31 March 2026	Year ended 31 March 2025	
Discount rate	1% Increase	818.78	38.91	
	1% decrease	(942.88)	(44.22)	
Future salary increase	1% Increase	(931.98)	(34.47)	
	1% decrease	827.23	32.93	
Withdrawal rate	1% Increase	(868.10)	(7.38)	
	1% decrease	887.01	8.14	

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligations as a result of reasonable changes in key assumptions occurring at the end of the reporting period.



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Compensated Absences

₹ In Lakhs

Particulars	Sensitivity level	(Increase) / decrease in defined benefit obligation (Impact)	
		Year ended 31 March 2026	Year ended 31 March 2025
Discount rate	1% increase 1% decrease	243.82 (274.04)	-
Future salary increase	1% increase 1% decrease	(270.99) 246.29	-
Withdrawal rate	1% increase 1% decrease	(269.55) 245.40	-

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligations as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

The followings are the expected future benefit payments for the defined benefit plan :

₹ In Lakhs

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Rs.	Rs.	Rs.
Within the next 12 months (next annual reporting period)		
Gratuity	94.68	70.40
Compensated absences	38.61	-
Between 2 and 5 years		
Gratuity	395.98	212.24
Compensated absences	104.99	-
Beyond 5 years		
Gratuity	702.21	767.55
Compensated absences	91.88	-
Total expected payments	1,428.35	1,050.19

Weighted average duration of defined plan obligation (based on discounted cash flows)

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Years	Years	Years
Gratuity	8.07	8.36 - 9.34 years
Compensated absences	5.27	NA

The followings are the expected contributions to planned assets for the next year:

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Rs.	Rs.	Rs.
Gratuity	276.00	110.47



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Notes to the Financial Statements

C. Funding Policy

The Company has a defined benefit gratuity plan in India (funded). The company's defined benefit gratuity plan is a final salary plan for employees, which requires contributions to be made to a separately administered fund. The fund is managed by a trust which is governed by the Board of Trustees. The Board of Trustees are responsible for the administration of the plan assets and for the definition of the investment strategy.

D. Risk Exposure

Through its defined benefit plan, the Company is exposed to a number of risks, the most significant of which are detailed below:

Discount rate risk: Variations in the discount rate used to compute the present value of the liabilities may see small, but in practice can have a significant impact on the defined benefit liabilities.

Future salary escalation and inflation risk: Since price inflation and salary growth are linked economically, they are combined for disclosure purposes. Rising salaries will often result in higher future defined benefit payments resulting in a higher present value of liabilities especially unexpected salary increases provided at management's discretion may lead to uncertainties in estimating this increasing risk.

Asset-Liability mismatch risk: Risk which arises if there is a mismatch in the duration of the assets relative to the liabilities. By matching duration with the defined benefit liabilities, the Company is successfully able to neutralize valuation swings caused by interest rate movements.

Asset risks: Plan assets are maintained in a self-managed trust fund managed by a public sector insurer viz. Life Insurance Corporation ("LIC") and partly managed by private sector insurers.

LIC has a sovereign guarantee and has been providing consistent and competitive returns over the years. The Company has opted for a traditional fund wherein all assets are invested primarily in risk averse markets. The Company has no control over the management of funds but this option provides a high level of safety for the total corpus and the interest rate and inflation risk are also taken care of.

With other private insurers, the Company has opted for a unit-linked fund which is market linked with options to invest in equity funds. The Company has the option to structure the portfolio based on its risk appetite providing an opportunity to earn market linked returns. But there is an investment risk here which is borne by the Company.

A single account is maintained for both investment and claim settlement and hence 100% liquidity is ensured.

Unfunded Plan Risk – This represents unmanaged risk and a growing liability. There is an inherent risk here that the Company may default on paying the benefits in adverse circumstances. Funding the plan removes volatility from the balance sheet and better manages defined benefit risk through increased returns.

Mortality risk : Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Concentration Risk : Plan is having a concentration risk as all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very less as insurance companies have to follow regulatory guidelines.



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Notes to the Financial Statements

5.7 Segment Information

The business activities of the Company from which it earns revenues and incurs expenses; whose operating results are regularly reviewed by the chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available involve predominantly one operating segment.

a Profit (before exceptional items and tax) of reportable segment

Particulars	2025-26			₹ in Lakhs
	Domestic Business Segment	Exports Business Segment	Other Reconciling Amounts	Total
Segment Revenue	85,468.49	28,347.28	-	1,13,815.77
Total Revenue	85,468.49	28,347.28	-	1,13,815.77
Profit Before exceptional items and tax	4,690.92	4,439.46	20.91	9,151.29
Depreciation and Amortisation	838.42	530.54	75.26	1,444.22
Finance Cost	872.35	453.21	-	1,325.56

Particulars	2024-25			₹ in Lakhs
	Domestic Business Segment	Exports Business Segment	Other Reconciling Amounts	Total
Segment Revenue	80,931.16	20,899.51	-	1,01,830.67
Total Revenue	80,931.16	20,899.51	-	1,01,830.67
Profit Before exceptional items and tax	2,237.68	3,731.33	-	5,969.01
Depreciation and Amortisation	1,153.73	345.89	-	1,499.62
Finance Cost	843.98	438.48	-	1,282.46

b Capital employed of reportable segment

Particulars	2025-26			₹ in Lakhs
	Domestic Business Segment	Exports Business Segment	Other Reconciling Amounts	Total
Assets	34,468.64	14,493.95	8,608.04	57,570.63
Liabilities	30,603.60	8,671.43	559.59	39,834.62
Capital employed	3,865.04	5,822.52	8,048.45	17,736.01

Particulars	2024-25			₹ in Lakhs
	Domestic Business Segment	Exports Business Segment	Other Reconciling Amounts	Total
Assets	30,022.66	10,901.29	2,872.92	43,796.87
Liabilities	26,864.04	6,948.33	616.10	34,428.47
Capital employed	3,158.63	3,952.95	2,256.82	9,368.40



5.8 Related parties have been identified as defined under paragraph 9 of Indian Accounting Standard (Ind AS) 24, "Related Party Disclosures"

5.9 (A) Description of Related Parties

i) Name of the related party and nature of relationship where control exists:

Sr. No.	Related Party Category	Company
1	Holding Company	Kirloskar Oil Engines Limited
2	Post- Employment benefit plan of Company	La-Gajjar Machineries Pvt. Ltd. Employees Group Gratuity Trust
3	Entity controlled by Key Managerial Personnel	Snow Leopard Technology Ventures, LLP Beluga Whale Capital Management Pte. Ltd.
4	Entity controlled by close member of Key Managerial Personnel	Gumtree Capital Advisors LLP Snow Leopard Infrastructure-I LLP Paragon Greensutra Private Limited Navsai Opportunities Pvt Ltd (formerly known as Navsai Investments Pvt Ltd) name change w.e.f. 22 Feb 2025 Kirloskar Energen Private Limited upto 11 March 2025 Indifour Consult Private Limited Alotolx Ventures LLP Binaza Consult Private Limited (earlier known as Binaza Travels Private Limited) CEPHALOPOD TEKNIK - V LLP upto 24 March 2025 CEPHALOPOD TEKNIK - VI LLP upto 24 March 2025 Snow Leopard Lever Boost LLP CEPHALOPOD TEKNIK - VII LLP Snow Leopard Momentum - III LLP upto 18th Jan 2026 Snow Leopard Momentum IV LLP w.e.f. 21 Jan 2026
5	One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).	ESVA Pumps India Private Limited upto 28th September 2024
6	Fellow Subsidiaries	Kirloskar Americas Corp., USA Arka Fincap Limited Akra Financial Holdings Private Limited Arka Investment Advisory Services Private Limited Engines LPG LLC, dba Wildcat Power Gen Kirloskar International ME FZE w.e.f. 7th January 2025 Kirloskar Advanced Systems Private Limited w.e.f. 30 Mar 2026

ii) Key Management Personnel of the holding company and their relatives:

Sr. No.	Name	Name of Relatives	Relationship
a	Gauri Kirloskar	Christopher Kolenaty Maya Kolenaty Pia Kolenaty Atul Kirloskar Arti Kirloskar	Husband Daughter Daughter Father Mother

iii) Key Management Personnel of entity and their relatives:

Sr. No.	Name	Name of Relatives
a	Aseem Srivastav (up to 31st Dec 2024)	Wife – Alka Srivastav Son – Sanchit Srivastav Son – Shivalik Srivastav
b	Gauri Kirloskar	Father-Atul Kirloskar Mother-Arti Kirloskar Husband – Christopher Kolenaty Daughter – Pia Kolenaty Daughter – Maya Kolenaty
c	Akshay Sahni	Wife – Aditi Kirloskar (Sahni) Son – Arjun Sahni Daughter – Anoushka Sahni
d	Sachin Kejriwal w.e.f. 18 October 2024	Wife – Ruchi Kejriwal Son – Krishang Kejriwal
e	Rahul Sahai w.e.f. 24th January 2025	Wife – Geetu Sehgal (Sahai)



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KOEL Fluid Dynamics Private Limited (Formerly known as La-Gajjar Machineries Private Limited)

Notes to the Financial Statements

(B) Transactions with Related Parties

₹ in Lakhs

Sr. No.	Nature of the transaction / relationship / major parties	2025-26		2024-25	
		Amount	Amount from major parties	Amount	Amount from major parties
1	Gross Sales (Net of sales return)				
	Fellow Subsidiaries	847.37		405.16	
	Kirloskar Americas Corporation		460.84		405.16
	Kirloskar International ME FZE		386.53		-
	Total	847.37	847.37	405.16	405.16
2	Rendering of Services from				
	Key Management Personnel	53.37		207.67	
	Rahul Sahai		29.24		-
	Aseem Srivastav		-		192.68
	Gauri Kirloskar		2.60		1.30
	Akshay Sahni		6.50		1.30
	Sachin Kejriwal		15.03		12.39
	Total	53.37	53.37	207.67	207.67
3	Expenses paid to				
	Holding Company	2,437.41		-	
	Kirloskar Oil Engines Limited		2,437.41		-
	Entity controlled by Close Member of KMP of Entity	-	-	2.75	
	Indifour Consult Private Limited		-		2.75
	Total	2,437.41	2,437.41	2.75	2.75
4	ESOP Issued to LGM Employees				
	Holding Company	-8.28		23.61	
	Kirloskar Oil Engines Limited		-8.28		23.61
	Total	-8.28	-8.28	23.61	23.61
5	Reimbursement / (recovery) of Expenses				
	Key Management Personnel	-		1.54	
	Aseem Srivastav		-		1.54
	Fellow Subsidiaries	-5.39		-11.98	
	Kirloskar Americas Corp		-0.46		-11.98
	Kirloskar International ME FZE		-4.93		-
	Total	-5.39	-5.39	-10.44	-10.44
6	Repayment of Preference Shares				
	Holding Company	850.00		-	
	Kirloskar Oil Engines Limited		850.00		-
	Total	850.00	850.00	-	-
7	Unquoted equity share transferred by holding company				
	Holding Company	0.17		-	
	Kirloskar Oil Engines Limited		0.17		-
	Total	0.17	0.17	-	-
8	Loan repaid to Holding company				
	Holding Company	-		1,071.75	
	Kirloskar Oil Engines Limited		-		1,071.75
	Total	-	-	1,071.75	1,071.75
9	Interest paid / (recovered)				
	Holding Company	396.32		402.34	
	Kirloskar Oil Engines Limited		396.32		402.34
	Total	396.32	396.32	402.34	402.34
10	Contributions Paid				
	Post-Employment benefit plan of the Company	220.29		56.17	
	La-Gajjar Machineries Pvt. Ltd. Employees Group Gratuity Trust		220.29		56.17
	Total	220.29	220.29	56.17	56.17
11	Divestment in equity shares *				
	Associates	-		291.01	
	ESVA Pumps India Private Limited		-		291.01
	Total	-	-	291.01	291.01
12	Purchase of Goods				
	Associates	-		1,126.16	
	ESVA Pumps India Private Limited		-		1,126.16
	Total	-	-	1,126.16	1,126.16
13	Purchase Return of Goods				
	Associates	-		191.95	
	ESVA Pumps India Private Limited		-		191.95
	Total	-	-	191.95	191.95
14	Purchase of Services				
	Entity controlled by Close Member of KMP of Entity	10.04		73.48	
	Indifour Consult Private Limited		10.04		73.48
	Total	10.04	10.04	73.48	73.48



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KOEL Fluid Dynamics Private Limited (Formerly known as La-Gajjar Machineries Private Limited)
Notes to the Financial Statements

15	Purchase of Asset				
	Holding Company	1.53		-	
	Kirloskar Oil Engines Limited		1.53		-
	Total	1.53	1.53	-	-
16	Reimbursement of Expenses for Deputed Employees and other services				
	Holding Company	3,036.40		-	
	Kirloskar Oil Engines Limited		3,036.40		-
	Associates	-		4.18	
	ESVA Pumps India Private Limited		-		4.18
	Total	3,036.40	3,036.40	4.18	4.18
17	Sale of PPE				
	Key Management Personnel	20.00		-	
	Aseem Srivastav		20.00		-
	Total	20.00	20.00	-	-

₹ in Lakhs

Sr.No	Nature of the transaction / relationship / major parties	As at 31 March 2026		As at 31 March 2025	
	Outstanding				
1	Accounts Receivable				
	Holding Company	1,009.73		-	
	Kirloskar Oil Engines Limited		1,009.73		-
	Fellow Subsidiaries	618.59		268.00	
	Kirloskar Americas Corporation		330.18		268.00
	Kirloskar International ME FZE		288.41		-
	Associates	-		2.44	
	ESVA Pumps India Private Limited		-		2.44
	Total	1,628.32	1,628.32	270.44	270.44
2	Accounts Payable				
	Key Management Personnel	7.11		-	
	Commission				
	Gauri Kirloskar		1.17		-
	Sachin Kejriwal		1.44		-
	Akshay Sahni		4.50		-
	Holding Company	271.28		-	
	Kirloskar Oil Engines Limited		271.28		-
	Entity controlled by Close Member of KMP of Entity	10.85		29.44	
	Indifour Consult Private Limited		10.85		29.44
	Total	289.24	289.24	29.44	29.44
3	Outstanding Cumulative Preference Shares				
	Holding Company	4,000.00		4,850.00	
	Kirloskar Oil Engines Limited		4,000.00		4,850.00
	Total	4,000.00	4,000.00	4,850.00	4,850.00
4	Interest payable on preference shares				
	Holding Company	330.00		398.00	
	Kirloskar Oil Engines Limited		330.00		398.00
	Total	330.00	330.00	398.00	398.00
5	Payable towards ESOP to LGM employees				
	Holding Company	24.97		33.95	
	Kirloskar Oil Engines Limited		24.97		33.95
	Total	24.97	24.97	33.95	33.95
6	Payable				
	Post-Employment benefit plan of the Company	276.24		308.02	
	La-Gajjar Machineries Pvt. Ltd. Employees Group Gratuity Trust		276.24		308.02
	Total	276.24	276.24	308.02	308.02



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KOEL Fluid Dynamics Private Limited (Formerly known as La-Gajjar Machineries Private Limited)
Notes to the Financial Statements

In addition to the above transactions, the company has issued 10,65,150 (ten lakh sixty-five thousand one hundred and fifty) equity shares having a face value of INR 10/- (Indian Rupees Ten only) each to the holding company as a consideration under business combination. Refer note 38.5.21

The above figures DO not include provision for leave encashment and gratuity, AS actuarial valuation of such provision for The Key Management Personnel is included in The total provision for leave encashment & gratuity.

* The Board of Directors of the Company in its meeting held on 30th August 2024 approved the participation for the buyback offer of 22,38,506 fully paid-up equity shares at a price of Rs. 13/- per equity share (Face Value of Rs. 10/- per share) of ESVA Pumps India Private Limited (ESVA) to the extent of Company's entitlement and equity shares renounced by other shareholders of ESVA, as per the terms and conditions mentioned in the 'Letter of Offer' dated 28th August 2024 issued by ESVA to the Company. Accordingly, 22,38,506 fully paid-up equity shares were bought back by ESVA from the Company and the consideration amount of Rs. 2,91,00,578/- (Rupees Two Crore Ninety One Lakh Five Hundred and Seventy Eight only) was received by the Company on 6th September 2024.

Further the Board of Directors of the Company in its meeting held on 28th September 2024 approved the termination of Joint Venture arrangement with ESVA Pumps India Private Limited. In pursuant to the Joint Venture Termination Agreement 21,71,494 (32.12%) equity shares held by the Company in ESVA were sold to Mr. V Baranitharan and Ms. C. Shanthi, the Promoters of ESVA for consideration amounting to Rs. 3,69,15,398/- (Rupees Three Crore Sixty Nine Lakh Fifteen Thousand Three Hundred and Ninety Eight only) on 30th September 2024. Consequentially, the aforesaid Joint Venture arrangement has been terminated w.e.f. 28th September 2024.

Terms and conditions of transactions with related parties

Transactions entered into with related party are made in ordinary course of business and on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31 March 2026, the company has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2025: ₹ Nil). This assessment is undertaken during each financial year through examining the financial position of the related party and the market in which the related party operates.

Commitments with related parties

As at 31 March 2026, commitments with related parties is Nil. (31 March 2025: ₹ 45.91 Lakhs).

Transactions with key management personnel

Compensation of key management personnel of the company

Particulars	₹ in Lakhs	
	2025-26	2024-25
Employee benefits	41.07	204.67
Sitting Fees	4.40	3.00
Commission	7.90	0.00
Total compensation paid to key management personnel	53.37	207.67

The amounts disclosed in the table are the amounts recognised as an expense during the reporting period related to key management personnel.

The above figures do not include provision for leave encashment and gratuity, as actuarial valuation of such provision for the Key Management Personnel is included in the total provision for Leave encashment & gratuity.



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5.10 Earnings Per Share (Basic and Diluted)

Particulars	2025-26	2024-25
Profit/(Loss) for the year after tax (₹ in Lakhs) from continued operations	6,720.73	4,517.31
Profit/(Loss) for the year after tax (₹ in Lakhs) from discontinued operations	473.62	225.85
Profit/(Loss) for the year after tax (₹ in Lakhs) from continued and discontinued operations	7,194.35	4,743.16
Total number of equity shares at the end of the year (One Equity share of face value of ₹ 10/- each)	21,41,150	21,41,150
Weighted average number of equity shares for the purpose of computing Basic Earnings Per Share	21,41,150	21,41,150
Basic earnings per equity share from continuing operations (in ₹)	313.88	210.98
Basic earnings per equity share from discontinuing operations (in ₹)	22.12	10.55
Basic earnings per equity share from continuing operations and discontinuing operations (in ₹)	336.00	221.52
Weighted average number of equity shares for the purpose of computing Diluted Earnings Per Share	21,41,150	21,41,150
Diluted earnings per equity share from continuing operations (in ₹)	313.88	210.98
Diluted earnings per equity share from discontinuing operations (in ₹)	22.12	10.55
Diluted earnings per equity share from continuing operations and discontinuing operations (in ₹)	336.00	221.52

During the year the company has issued 10,65,150 (ten lakh sixty-five thousand one hundred and fifty) equity shares having face value of Rs. 10/- (Indian Rupees Ten only) to KOEL on a private placement basis. The shares issued in the common control business combination transaction are treated as if they had been outstanding from the beginning of the previous year. Refer note 38.5.21

5.11 Revenue Recognition

(A) Set out below is the disaggregation of the company's revenue from contracts with its customers :

Particulars	₹ in Lakhs		
	Domestic Business	Export Business	Total
Revenue from contracts with customers	84,106.78	28,051.19	1,12,157.97

Revenue from contracts with customers includes sales of product and service and excludes other operating income.

(B) The company has generated revenue of ₹ 2313.54 Lakhs during the year from its Contract Liabilities as on 1 April, 2025. (Rs. 1181.53 on 31 March, 2026)

(C) The company generally recognizes revenue when the performance obligation is satisfied at a point in time when the control is transferred i.e. either on shipment or upon delivery in domestic and in case of export on the date of bill of lading. The payment is due from the date of sales and are generally on terms of 30 days to 120 days.

(D) The company is in the business of manufacturing and trading of Submersible Pumps, Electric Motors, Electrical panels, Small engines, Industrial pumps and spares thereof and has a single obligation of delivery of goods as per the commercial contract terms with its customers. In some cases the company also provides extended warranty to its customers.

(E) The company provides to its customers warranties in the forms of repairs or replacement under its standard terms and recognizes it as warranty provision as per Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets".

(F) As on 31st March, 2026, the company has unsatisfied performance obligation of ₹ 8.13 Lakhs and will be recognized as revenue in financial year 2024-25 onwards based on contractual terms (31st March, 2025 : ₹ 32.3 Lakhs).

(G) Reconciliation of the company's revenue from contract price with revenue recognized in the statement of Profit and Loss is as follows :

Particulars	₹ in Lakhs	
	2025-26	2024-25
Revenue as per Contract	1,17,094.41	1,03,209.79
Less : Discounts and Incentives	4,936.44	2,633.02
Revenue from contracts with customers	1,12,157.97	1,00,576.77

5.12 Fair value disclosures for financial assets and financial liabilities

The management believes that the fair values of non-current financial assets (e.g., investments at FVPL, loans and others), current financial assets (e.g., cash and cash equivalents, trade and other receivables, loans), non-current financial liabilities and current financial liabilities (e.g. Trade payables and other payables and others) approximate their carrying amounts.

5.13 Financial instruments risk management objectives and policies

The company's principal financial liabilities, other than derivatives, comprise borrowings, trade and other payables and other financial liabilities. The main purpose of these financial liabilities is to finance and support the company's operations. The company's principal financial assets include investments, loans, trade and other receivables, cash and short-term deposits and other financial assets that have been derived directly from its operations. At 31 March 2026, out of the total receivables of 95.01 Lakhs USD, the company has booked forward cover of 15 Lakhs USD against forex trade receivables and Nil EURO (Hedged). At 31 March 2025, out of the total receivable of 74.45 Lakhs USD, the company has booked forward cover of 15 Lakhs USD against forex trade receivables and Nil EURO (Hedged).



The company is exposed to market risk, credit risk and liquidity risk. The company's senior management oversees the management of these risks. The Audit Committee and Board review financial risks and the appropriate risk governance framework for the company's financial risks are identified, measured and managed in accordance with the company's policies and risk objectives. It is the company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk, price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include borrowings, deposits, investments, trade and other receivables, trade and other payables and derivative financial instruments.

The sensitivity analyses in the following sections relate to the position as at 31 March 2026 and 31 March 2025.

The analyses exclude the impact of movements in market variables on: the carrying values of gratuity provisions.

The following assumption has been made in calculating the sensitivity analyses:

The sensitivity of the relevant statement of profit and loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March 2026 and 31 March 2025.

i) Interest rate risk

a. Exposure

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

₹ In Lakhs		
Particulars	2025-26	2024-25
Long Term Fixed Interest Loans	4,000.00	4,000.00
Short Term Fixed Interest Loans	-	850.00
Long Term Floating Interest Loans	6,566.32	7,674.49
Short Term Floating Interest Loans	6,147.21	1,105.31

b. Interest Rate Sensitivity

₹ in Lakhs			
Financial Year	Change in Interest rate	Effect on profit before tax	Effect on pre-tax equity
31 March 2026	+50 bps	(53.73)	(53.73)
	-50 bps	53.73	53.73
31 March 2025	+50 bps	(44.44)	(44.44)
	-50 bps	44.44	44.44

The sensitivity is calculated only in respect of floating interest rate loan. It is calculated by changing the interest rates by 50 bps keeping all other factors constant.

ii) Foreign currency risk (Hedged and Unhedged)

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The company's exposure to the risk of changes in foreign exchange rates relates primarily to the company's operating activities (when revenue or expense is denominated in a foreign currency).

Nature of Exposure	Currency	2025-26	2024-25
Receivable	USD	95,00,895.65	74,45,265.05
	EUR	-	-
Payable	USD	1,04,068.33	42,183.57
	EUR	-	13,400.00

The company manages its foreign currency risk by hedging transactions related to sales & purchases.

At 31 March 2026, out of the total receivables of 95.01 Lakhs USD, the company has booked forward cover of 15 Lakhs USD against forex trade receivables and Nil EURO (Hedged). At 31 March 2025, out of the total receivable of 74.45 Lakhs USD, the company has booked forward cover of 15 Lakhs USD against forex trade receivables and Nil EURO (Hedged).



Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD & EURO exchange rates, with all other variables held constant. The impact on the company's profit before tax is due to changes in the fair value of monetary assets and liabilities. The impact on the company's pre-tax equity is due to changes in profit before tax. The company's exposure to foreign currency changes for all other currencies is not material.

₹ in Lakhs			
Financial Year	Change in USD rate	Effect on profit before tax	Effect on pre-tax equity
31 March 2026	5%	443.12	443.12
	-5%	(443.12)	(443.12)
31 March 2025	5%	316.59	316.59
	-5%	(316.59)	(316.59)

₹ in Lakhs			
Financial Year	Change in EURO rate	Effect on profit before tax	Effect on pre-tax equity
31 March 2026	5%	-	-
	-5%	-	-
31 March 2025	5%	0.62	0.62
	-5%	(0.62)	(0.62)

iii) Commodity price risk

The company is affected by the price volatility of certain commodities. Its operating activities require the on-going purchase and manufacture of Pumps & Motors, Wire, Cable & Pipe and therefore require a continuous supply of copper, steel and Iron. However, Company being the indirect user of these commodities, volatility in price of such commodity does not have direct or immediate impact on the profitability of the company. Hence, the company does not foresee any direct or immediate risk with respect to such commodity price fluctuation.

iv) Other Price Risk

The company does not hold investments in equity or mutual fund as on the date of Balance Sheet and hence it is not exposed to any such risks.

b) Credit risk

Credit risk is the risk that counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments.

Trade receivables

Receivables are reviewed, managed and controlled for each class of customers separately. Credit exposure risk is mainly influenced by class / type of customers, depending upon their characteristics. Credit risk is managed through credit approval process by establishing credit limits along with continuous monitoring of credit worthiness of customers to whom credit terms are granted. Wherever required, credit risk of receivables is further covered through letter of credit, bank guarantee, business deposits and such other forms of credit assurance schemes.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are combined into homogenous category and assessed for impairment collectively. The calculation is based on actual incurred historical data. The company does not hold collateral as security. The company evaluates the concentration of risk with respect to trade receivables as low, as its customers are spread over vast spectrum.

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the company in accordance with the company's policy. Investments of surplus funds are made as per the approved investment policy. Investment limits are set to minimise the concentration of risks and therefore mitigate financial loss if any.

c) Liquidity risk

The company monitors its risk of a shortage of funds using a liquidity planning tool.

The company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans. The company has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.



Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the company's performance to developments affecting a particular industry.

In order to avoid excessive concentrations of risk, the company's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly. Selective hedging is used within the company to manage risk concentrations at both the relationship and industry levels.

(i) The table below summarises the maturity profile of the company's financial liabilities based on contractual undiscounted payments:

₹ in Lakhs						
Particulars	On demand	less than 3 months	3 months to 1 year	1 year to 5 years	more than 5 years	Total
Year ended 31 March 2026						
Interest bearing borrowings	(723.84)	7,346.05	1,425.00	8,666.32	-	16,713.53
Lease Liability	-	90.24	208.89	343.67	220.10	862.90
Other financial liabilities	335.91	759.36	302.29	615.19	-	2,012.75
Trade payables	2,286.82	12,473.34	-	-	-	14,760.16
	1,898.89	20,668.99	1,936.18	9,625.18	220.10	34,349.34
Year ended 31 March 2025						
Interest bearing borrowings	1,105.31	-	1,958.33	10,566.16	-	13,629.80
Lease Liability	-	95.34	293.19	847.82	312.40	1,548.75
Other financial liabilities	452.78	720.26	207.56	27.11	543.69	1,951.40
Trade payables	(94.32)	11,740.62	16.94	-	-	11,663.24
	1,463.77	12,556.22	2,476.02	11,441.09	856.09	28,793.19
Lease liabilities included in the statement of financial position					2025-26	2024-25
Non-current financial liabilities					436.05	950.56
Current financial liabilities					254.89	298.72
Total					690.94	1,249.28

(ii) Net Debt Reconciliation

This section sets out an analysis of net debt and the movements in net debt for the year ended 31 March 2026

Particulars	2025-26	2024-25
Cash and cash equivalents	4,900.85	2.06
Current borrowings	(8,047.21)	(3,063.64)
Non-current borrowings	(8,666.32)	(10,566.16)
Net Debt	(11,812.68)	(13,627.74)

Particulars	Cash and cash equivalents	Current borrowings	Non-current borrowings	Total
Net debt as on 31 March 2025	2.06	(3,063.64)	(10,566.16)	(13,627.74)
Cash flows	4,898.79	(4,983.57)	1,899.84	1,815.06
Net debt as on 31 March 2026	4,900.85	(8,047.21)	(8,666.32)	(11,812.68)



5.14 Capital management

For the purpose of the company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the company. The primary objective of the company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

No changes were made in the objectives, policies or processes for managing capital during the current year ended 31 March 2026 in comparison to the previous year ended 31 March 2025.

Also refer Note 38.5.21.

5.15 Expenditure on CSR Activities

Particulars	2025-26	2024-25
(a) Amount required to be spent by the company	-	27.32
(b) Amount of expenditure incurred (Nature of CSR activities)	-	27.52
(i) Construction/Acquisition of any asset	-	-
(ii) On purpose other than (i) above	-	27.52
(c) Shortfall / (Surplus) at the end of the year	-	(0.20)
(d) Total of previous year shortfall / (Surplus)	-	-
(e) Related party transaction	-	-
(f) Provision if any	Not Applicable	Not Applicable

Note: The provisions of CSR are not applicable for FY 2025-26

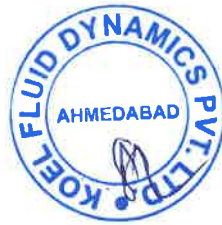
Details of CSR Activities of FY 2024-25

Nature of CSR Activities

1. Training programme for women for livelihood enhancement and distribution of kits.
2. RO plant setup at public places / panchayat office in the villages, Creating awareness about health and hygiene through wall paintings, Distribution of sport equipment's, etc.
3. STEM Lab Setup in Schools, DIY Kits for Saath STEM Classes, benches & tables for students and teachers etc.

Details of Expenditure:

The above expenditure of CSR was paid to an implementing agency "Saath Charitable trust".
There are no CSR transaction with Related Party.



5.16 Statement of registration and satisfaction of charges :

As at 31 March 2026

As at the reporting date, none of the charges or satisfaction of charges is yet to registered with ROC beyond the statutory time limit.

As at 31 March 2025

As at the reporting date, none of the charges or satisfaction of charges is yet to registered with ROC beyond the statutory time limit.



5.17	Details of Benami Properties :	The Company does not hold any Benami properties. No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibitions) Act, 1988 and the rules made thereunder.				
5.18	End use of Funds :	a) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.				
		b) No funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.				
5.19	Details of struck off companies :	Company has not entered into any transactions during the current year with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956, below are the details of balances as of 31 March 2026 with Struck off companies which pertain to transaction of previous years.				
		(Amount in Lakhs)				
		Name of the Struck off Company	Nature of Transactions with Struck off Company	Relationship with the struck off company, if any	Balance O/s as on 31 March 2026	Balance O/s as on 31 March 2025
		EXCELSERV INDIA PRIVATE LIMITED	Accounts Receivable	Not Related	-	-
		FEDROL ELECTRIC PRIVATE LIMITED	Accounts Receivable	Not Related	-	-
		R.M.H. Diesels Private Limited	Accounts Receivable	Not Related	-	0.74
		GATRAD KNOWLEDGE CENTRE PVT LTD	Accounts Payable	Not Related	-	-
		NAGPAL CARGO MOVERS	Accounts Payable	Not Related	-	-
		AIM SECURITY SOLUTION PVT LTD	Accounts Payable	Not Related	-	-
		FORTUNE HOTEL LANDMARK	Accounts Payable	Not Related	-	-
		OM SAI CARS INDIA (P) LTD	Accounts Payable	Not Related	-	-
		BENGAL CITY NIRMAL PRIVATE LIMITED	Accounts Payable	Not Related	-	-
		USHA NETCOPVT LTD	Accounts Payable	Not Related	-	-
		Total			-	0.74



5.20	Compliance with number of layers of Companies :	The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017																																																															
5.21	Compliance with approved scheme of Arrangements :	(A) The Board of Directors of the Company in its meeting held on 19th June 2025 approved the sale and transfer of its 'Cables, Wires & Pipes business' by way of Slump Sale on a going concern basis to M/s Vira Logistics, a partnership firm having its office situated at Rajkot, Gujarat 360035 ("Buyer"), at an aggregate consideration of Rs. 1070.00 lakhs subject to closing adjustments. The Business Transfer Agreement (BTA) was executed on 30th June 2025 (Closing date) between the Company and the Buyer. Pursuant to the aforesaid BTA the 'Cables, Wires & Pipes business' of the Company is transferred to the Buyer w.e.f. closing date. As per the terms of the BTA company has received the consideration amount from the Buyer. The financial information pertaining to 'Cables, Wires & Pipes business' in the financial statements of the Company has been disclosed as discontinued operation for FY 2024-25 and FY 2025-26, refer note 37. Refer note 27. (B) The Board of Directors of the Company in its meeting held on 10th October 2025 approved the proposal for purchase of Business to Customer ("B2C") business segment of Kirloskar Oil Engines Limited ('KOEL – Holding Company') i.e. Water Management Solutions ("WMS") – Domestic & Exports Business, on a going concern basis by way of slump sale. The consideration was in the form of issuance and allotment of 10,65,150 (ten lakh sixty-five thousand one hundred and fifty) equity shares having face value of INR 10/- (Indian Rupees Ten only) each by the Company to KOEL on a private placement basis, on terms as set out in the Business Transfer Agreement executed on 10th October 2025. The aforesaid B2C business segment of KOEL is transferred to the Company with effect from 11th October 2025. Further, as the B2C business segment is transferred from holding company, the aforesaid slump sale arrangement has been accounted in accordance with "Pooling of Interest Method" laid down by Appendix C of Indian Accounting Standards 103 (Ind AS 103): (Business combinations of entities under common control), notified under the Companies Act 2013. Accordingly, all assets, liabilities of the B2C business segment of KOEL have been recorded in the books of accounts of the Company at their existing carrying amounts and in the same form. The difference between the equity shares issued and all assets and liabilities of the B2C business segment, has been transferred to Capital Reserve. Comparative accounting period presented in the financial statements of the Company has been restated for the accounting impact of the transfer, as stated above, as if the purchase has occurred from the beginning of the comparative period i.e. 01st April 2024. Refer Note 15. Following are the assets and liabilities taken over by the Company on October 11, 2025 <table><tr><th>Particulars</th><th>As at October 10, 2025</th></tr><tr><td>ASSETS</td><td></td></tr><tr><td>I. Non-current assets</td><td>365.92</td></tr><tr><td> (a) Property, plant and equipment</td><td>218.04</td></tr><tr><td> (b) Capital work-in-progress</td><td>2.70</td></tr><tr><td> (c) Other Intangible assets</td><td>6.19</td></tr><tr><td> (d) Financial assets</td><td></td></tr><tr><td> (i) Investments</td><td>0.51</td></tr><tr><td> (ii) Other financial assets</td><td>138.48</td></tr><tr><td>II. Current assets</td><td>11,682.95</td></tr><tr><td> (a) Inventories</td><td>4,381.44</td></tr><tr><td> (b) Financial assets</td><td></td></tr><tr><td> (i) Trade receivables</td><td>6,680.85</td></tr><tr><td> (ii) Other financial assets</td><td>168.15</td></tr><tr><td> (c) Other current assets</td><td>452.51</td></tr><tr><td>Total Assets</td><td>12,048.87</td></tr><tr><td>Liabilities</td><td></td></tr><tr><td>I. Non-current liabilities</td><td>1,270.71</td></tr><tr><td> (a) Financial liabilities</td><td></td></tr><tr><td> (i) Other financial liabilities</td><td>542.05</td></tr><tr><td> (b) Provisions</td><td>728.66</td></tr><tr><td>II. Current liabilities</td><td>8,889.68</td></tr><tr><td> (a) Financial liabilities</td><td></td></tr><tr><td> (i) Trade and other payables</td><td></td></tr><tr><td> a) total outstanding dues of micro enterprises and small enterprises</td><td>975.04</td></tr><tr><td> b) total outstanding dues of creditors other than micro enterprises and small enterprises</td><td>6,049.52</td></tr><tr><td> (ii) Other financial liabilities</td><td>175.05</td></tr><tr><td> (b) Other current liabilities</td><td>195.02</td></tr><tr><td> (c) Provisions</td><td>1,495.05</td></tr><tr><td>Total Liabilities</td><td>10,160.39</td></tr><tr><td>Net Asset</td><td>1,888.48</td></tr></table>		Particulars	As at October 10, 2025	ASSETS		I. Non-current assets	365.92	(a) Property, plant and equipment	218.04	(b) Capital work-in-progress	2.70	(c) Other Intangible assets	6.19	(d) Financial assets		(i) Investments	0.51	(ii) Other financial assets	138.48	II. Current assets	11,682.95	(a) Inventories	4,381.44	(b) Financial assets		(i) Trade receivables	6,680.85	(ii) Other financial assets	168.15	(c) Other current assets	452.51	Total Assets	12,048.87	Liabilities		I. Non-current liabilities	1,270.71	(a) Financial liabilities		(i) Other financial liabilities	542.05	(b) Provisions	728.66	II. Current liabilities	8,889.68	(a) Financial liabilities		(i) Trade and other payables		a) total outstanding dues of micro enterprises and small enterprises	975.04	b) total outstanding dues of creditors other than micro enterprises and small enterprises	6,049.52	(ii) Other financial liabilities	175.05	(b) Other current liabilities	195.02	(c) Provisions	1,495.05	Total Liabilities	10,160.39	Net Asset	1,888.48
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Re-stated Balance sheet as on March 31, 2025

Particulars	Before effect of bussness combination	Effect of undertaking purchased	Eliminations	Revised balance post effect of business combination
ASSETS				
I. Non-current assets	17,093.51	1,125.72	(10.75)	18,229.99
(a) Property, plant and equipment	12,104.05	207.03	-	12,311.08
(b) Capital work-in-progress	34.33	43.68	-	78.01
(c) Right-of-use assets	3,811.57	712.45	-	4,524.02
(d) Goodwill	253.64	-	-	253.64
(e) Other Intangible assets	114.40	-	-	114.40
(f) Intangible assets under development	78.17	-	-	78.17
(g) Financial assets				
(i) Other financial assets	381.37	162.56	-	543.93
(h) Deferred tax assets (net)	89.20	-	(10.75)	99.95
(i) Income tax assets (net)	185.04	-	-	185.04
(j) Other non-current assets	41.75	-	-	41.75
II. Current assets	16,587.38	9,518.99	539.49	25,566.88
(a) Inventories	6,537.58	3,408.24	42.72	9,903.10
(b) Financial assets				
(i) Trade receivables	6,986.15	5,622.52	267.15	12,341.52
(ii) Cash and cash equivalents	2.06	-	-	2.06
(iii) Bank balance other than (ii) above	1,226.81	-	-	1,226.81
(iv) Other financial assets	348.39	402.03	229.62	520.80
(c) Other current assets	1,486.39	86.20	-	1,572.59
Total Assets	33,680.89	10,644.72	528.74	43,796.87
EQUITY AND LIABILITIES				
Equity	10,608.58	(1,208.21)	31.97	9,368.40
(a) Equity share capital	107.60	-	-	107.60
(b) Other equity				
Capital redemption reserve	139.00	-	-	139.00
Securities premium	678.40	-	-	678.40
General reserve	411.21	-	-	411.21
Retained earnings	9,272.37	(1,208.21)	31.97	8,032.19
Liabilities				
I. Non-current liabilities	11,572.72	1,633.51		13,206.23
(a) Financial liabilities				
(i) Borrowings	10,566.16	-	-	10,566.16
(ii) Lease liabilities	474.33	476.23	-	950.56
(iii) Other financial liabilities	27.11	543.69	-	570.80
(b) Provisions	505.12	613.59	-	1,118.71
II. Current liabilities	11,499.59	10,219.42	496.77	21,222.24
(a) Financial liabilities				
(i) Borrowings	3,063.64	-	-	3,063.64
(ii) Trade and other payables				
a) total outstanding dues of micro enterprises and small enterprises	3,001.64	683.22	-	3,684.86
or total outstanding dues of creditors other than micro enterprises and small enterprises	1,492.59	6,982.56	496.77	7,978.38
(iii) Lease liabilities	75.89	222.83	-	298.72
(iv) Other financial liabilities	1,186.75	193.85	-	1,380.60
(b) Other current liabilities	392.71	1,035.50	-	1,428.21
(c) Provisions	2,286.37	1,101.46	-	3,387.83
Total Liabilities	33,680.89	10,644.72	528.74	43,796.87



Details of profit and loss for the period ended October 10, 2025 of KOEL B2C undertaking, which has been included in the statement of profit and loss for the year ended March 31, 2026 of the Company, applying

Particulars	Profit and loss for the period ended October 10, 2025	Eliminations	Profit & Loss for the year ended March 31, 2026 without common control adjustment
Continuing operations			
Income			
Revenue from operations	31,765.75	2,754.89	84,804.91
Other income	87.67	-	726.46
Total Income	31,853.42	2,754.89	85,531.37
Expenses			
Cost of raw materials and components consumed	10,924.38	-	37,487.55
Purchase of traded goods	9,276.43	2,754.89	20,878.67
Changes in inventories of finished goods, work-in-progress and traded goods	2,618.79	42.72	(2,998.61)
Employee benefits expense	1,442.11	(378.00)	4,273.41
Finance costs	25.86	-	1,299.70
Depreciation and amortisation expense	164.23	-	1,279.99
Other Expenses	4,792.60	378.00	16,811.10
Total Expenses	29,244.40	2,797.61	79,031.81
Profit/(loss) before exceptional items and tax	2,609.02	(42.72)	6,499.56
Exceptional Items [(Income)/Expense]	-	-	72.72
Profit/(loss) before tax	2,609.02	(42.72)	6,426.84
Tax expense	656.65	(10.75)	1,690.44
Current tax	656.65	-	1,547.95
Deferred tax	-	(10.75)	142.49
Profit for the year from continuing operations	1,952.37	(31.97)	4,736.40
Discontinuing operations			
Profit before tax from discontinued operations	-	-	453.65
Tax expense of discontinued operations	-	-	(19.97)
Profit from discontinued operations (after tax)	-	-	473.62
Profit/(loss) for the year	1,952.37	(31.97)	5,210.02
Other comprehensive income			
A. Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Re-measurement gains / (losses) on defined benefit plans	(19.89)	-	29.04
Income tax effect on above	(26.58)	-	38.80
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods (A)	6.69	-	(9.76)
Total other comprehensive income for the year, net of tax [A]	(19.89)	-	29.04
Total comprehensive income for the year	1,932.48	(31.97)	5,239.06



Re-stated Statement of Profit and loss for the year ended March 31, 2025

Particulars	Before effect of business combination	Effect of undertaking purchased	Eliminations	Revised balance post effect of business combination
Continuing operations				
Income				
Revenue from operations	48,523.67	59,260.68	5,953.68	1,01,830.67
Other income	758.37	48.19	-	806.56
Total Income	49,282.04	59,308.87	5,953.68	1,02,637.23
Expenses				
Cost of raw materials and components consumed	24,027.83	21,029.75	-	45,057.58
Purchase of traded goods	3,382.88	18,671.30	5,953.68	16,100.50
Changes in Inventories of finished goods, work-in-progress and traded goods	2,372.22	1,958.91	80.29	4,250.84
Employee benefits expense	3,491.11	2,214.44	(693.64)	6,399.19
Finance costs	1,262.46	20.00	-	1,282.46
Depreciation and amortisation	1,192.07	307.55	-	1,499.62
Other Expenses	13,292.66	9,479.01	693.64	22,078.03
Total Expenses	49,021.23	53,680.96	6,033.97	96,668.22
Profit/(loss) before exceptional items and tax	260.81	5,627.91	(80.29)	5,969.01
Exceptional Items	-	-	-	-
Profit/(loss) before tax	260.81	5,627.91	(80.29)	5,969.01
Tax expense	15.16	1,416.33	(20.21)	1,451.70
Current tax	(75.96)	1,416.33	-	1,340.37
(Excess)/short provision related to earlier years	4.96	-	-	4.96
Deferred tax	86.16	-	(20.21)	106.37
Profit for the year from continuing operations	245.65	4,211.58	(60.08)	4,517.31
Discontinuing operations				
Profit before tax from discontinued operations	301.81	-	-	301.81
Tax expense of discontinued operations	75.96	-	-	75.96
Profit from discontinued operations (after tax)	225.85	-	-	225.85
Profit/(loss) for the year	471.50	4,211.58	(60.08)	4,743.16
Other comprehensive income				
A. Other comprehensive income not to be reclassified to profit or loss in subsequent periods:				
Re-measurement gains / (losses) on defined benefit plans	(69.57)	(16.51)	-	(86.08)
Income tax effect on above	(93.10)	(21.93)	-	(115.03)
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods (A)	23.53	5.42	-	28.95
Total other comprehensive income for the year, net of tax [A]	(69.57)	(16.51)	-	(86.08)
Total comprehensive income for the year	401.93	4,195.07	(60.08)	4,657.08

5.22	Undisclosed income :	There are no transactions that has been not recorded in the books of accounts and has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961
5.23	Details of Crypto Currency or Virtual currency :	There are no any transaction/holding of crypto or virtual currency.
5.24	loans to promoters, directors, KMPs and the related parties:	The Company has not granted any loans to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person, that are: (a) repayable on demand; or (b) without specifying any terms or period of repayment



KOEL Fluid Dynamics Private Limited (Formerly known as La-Gajjar Machineries Private Limited)
Notes to the Financial Statements

Note 5.25: Disclosure of Ratios

Ratios	Numerator	Denominator	Description	31 March 2026 Ratio	31 March 2025 Ratio	Variance	Reason for variance
Current Ratio	Current Assets	Current Liability	The current ratio indicates Company's overall liquidity position	1.43	1.20	18.6%	
Debt-Equity Ratio	Total Debt	Shareholder's Equity	Debt-to-equity ratio compares Company's total debt to shareholders equity	0.94	1.45	-35.2%	Increase in profitability more than increase in debt as compared to previous year.
Debt Service Coverage Ratio	Earnings available for debt service (PBT+Dep+Interest)	Debt service	Debt Service coverage ratio is used to analyse the Company's ability to pay off current interest and instalments	2.76	2.62	5.4%	
Return on Equity Ratio	Net profits after taxes - Preference Dividend (if any)	Average Shareholder's Equity	It measures the profitability of equity funds invested in the Company	53.1%	48.5%	9.5%	
Inventory turnover ratio	Cost of goods sold or sales	Average Inventory	This ratio measures the efficiency with which a Company utilizes or manages its inventory	7.63	5.13	48.7%	Reduction in inventory as compared to previous year.
Trade Receivables turnover ratio	Net credit Sales	Average accounts Receivable	This ratio measures the efficiency at which the firm is managing the receivables	6.79	9.19	-26.2%	Increase in receivables more than increase in Sales as compared to previous year.
Trade Payables turnover ratio	Net credit Purchases	Average trade Payable	This ratio indicates the number of times sundry creditors have been paid during a period	5.72	5.06	13.0%	
Net capital turnover ratio	Net Sales	Working Capital	This ratio indicates a company's effectiveness in using its working capital	9.10	23.60	-61.4%	Increase in net working capital more than increase in sales as compared to previous year.
Net profit ratio	Net Profit	Net Profit/Net Sales	This ratio measures the relationship between net profit and sales of the business	6.4%	4.6%	38.3%	Increase in profit after tax compared to previous year.
Return on Capital employed	Earning before Interest & Tax (PBIT)	Capital Employed	Return on capital employed indicates the ability of a company's management to generate returns for both the debt holders and the equity holders	31.7%	32.9%	-1.1%	



Note 39 : Standards issued but not yet effective :

The Ministry of Corporate Affairs (MCA) has issued the following amendments to Indian Accounting Standards that are not yet effective as at the reporting date of 31st March 2026. The Company has not early adopted any of these amendments. Management is currently assessing the Impact of these amendments on the Company's financial statements (if any).

Standard	Nature of Amendment	Effective Date	Expected Impact on the Company
Ind AS 1 (Presentation of Financial Statements)	Removal of the Ind AS carve-out for post-reporting date covenant waivers. From April 1, 2026, if a covenant is breached at the reporting date, the related borrowing must be classified as current even if the lender grants a waiver after the reporting date but before financial statement approval. This brings Ind AS fully in line with IFRS requirements.	April 1, 2026 (Mandatory)	Applicable. The Company's cash credit facility contains regular financial covenants. Management has reviewed the facility terms and assessed that, based on current financial performance, no material covenant breach is anticipated at 31st March 2026. The amendment will be adopted from FY 2026-27.
Ind AS 10 (Events After the Reporting Period)	Minor terminology update replacing the word 'provision' with 'covenant' for consistency with revised Ind AS 1.	April 1, 2026 (Mandatory)	No material Impact expected. Terminology change only.



Note 40: Previous year's figures have been re-grouped wherever considered necessary to make them comparable with those of the current year.

All amounts disclosed in financial statements and notes are presented in "Rupees Lakhs" and have been rounded off to two decimal places as per the requirement of Division II of Schedule III to the Act, unless otherwise stated.

Signatures to Note 1 to 40, forming part of the Financial Statements.

As per our attached report of even date

FOR P G BHAGWAT LLP
Chartered Accountants
Firm Registration Number : 101118W/ W100682

NACHIKET DEO
Partner
Membership Number : 117695
Place- Pune
27-04-2026



For and on behalf of the Board of Directors

RAHUL SAHAI
Managing Director
DIN: 10909570
Place- Pune

AKASH SHAH
Chief Financial Officer

Place-Pune
27-04-2026



AKSHAY SAHNI
Director
DIN: 00791744
Place-Pune

AMRUTA THIGALE
Company Secretary

Place-Pune
27-04-2026