# MUKAND HEAVY ENGINEERING LIMITED

3rd Floor, Bajaj Bhavan, Jamnalal Bajaj Marg, 226, Nariman Point, Mumbai, Maharashtra, India- 400021
Email Id: Secretarial@mukand.com, CIN: U28162MH2023PLC415488 Phone No: 022 6121 6666

**Board's Report 2025 -26**

**Dear Members,**

Your Directors take pleasure in presenting the 3rd Annual Report on the business and operations of the Company along with the audited financial statements for the financial year ended on 31st March 2026.

## 1. Financial Results

The financial performance of the Company, for the financial year ended 31st March 2026 is summarised below:

| Particulars | Rs. In Lakhs | |
|---|---|---|
| | **2025-26** | **2024-25** |
| Total Income | **584.70** | **183.44** |
| Earnings before Interest, Depreciation & Tax | (210.61) | (328.15) |
| Profit/(Loss) Before Taxation | (1628.01) | (376.53) |
| **Profit / (Loss) After Taxation** | (1628.01) | (376.53) |
| **Earnings Per Share (Rs.)** | **(1288.53)** | **(376.53)** |

## 2. Review of Operations

During the period under review, Total Revenue of the Company was Rs. 584.70 Lakhs and Loss for the period were Rs. 1628.01 Lakhs.

## 3. Subsidiaries/ Associates / Joint Venture

The Company does not have any subsidiaries, associates and joint ventures.

## 4. Dividend

In view of losses, the Directors have decided not to declare any dividend for the year.

**5. Slump Sale of Machine Building Division**

During the year under review, a Business Transfer Agreement was entered into on October 18, 2025 between Mukand Limited ("Transferor") and Mukand Heavy Engineering Limited ("Transferee") for transfer of part of Industrial Machinery Business namely designing, manufacturing, erecting and commissioning EOT Cranes, other materials handling and process plant equipment activities ("Transferred Business") via Slump Sale on a going concern basis from Mukand Limited to Mukand Heavy Engineering Limited, a wholly owned subsidiary of the Company.

The Slump Sale of the Transferred Business was completed as on 31st March 2026 ("Closing Date"), during the closing hours against a payment of purchase consideration of Rs 45.78 Crs (Rupees Forty-Five crores and Seventy-Eight lacs) discharged in the form of 26,347 equity shares fully paid up, issued and allotted by Mukand Heavy Engineering Limited to Mukand Limited.

**6. Transfer to Reserves**

No amount has been transferred to Reserves during the year under review.

**7. Share Capital**

The paid-up Equity Share Capital of the Company was Rs. 12.63 Lacs as on 31st March 2026. Authorised Capital of the Company was Rs. 2.00 Crore 31st March 2026.

The Company has issued and allotted 26,347 Equity Shares with the approval of Shareholder on 31st March 2026.

**8. Deposits**

The Company has not accepted or renewed any amount falling within the purview of provisions of Section 73 of the Companies Act 2013 ("the Act") read with the Companies (Acceptance of Deposit) Rules, 2014 during the year under review.

**9. Material Changes and Commitments**

During the period under review, there were no material Changes or Commitments affecting financial position of the Company.

## 10. Particulars of Loans, Guarantees and Investments

The Company has given neither any loans/guarantees to any other entities during the financial year.

## 11. Related Party Transactions

There were no related party transactions entered into by the Company during the period which attracted the provisions of Section 188 of the Companies Act, 2013 as all related party transactions that were entered into by the Company during the year were on an arm's length basis and were in the ordinary course of the Company's business. Hence there are no transactions which are required to be disclosed in Form AOC-2.

## 12. Director's Responsibility Statement

Pursuant to clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, the Board of Directors of the Company hereby state and confirm that:

i. in the preparation of the annual accounts, the applicable accounting standards have been followed, and no material departures have been made there from;

ii. The directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company for the financial year ended as of 31st March 2026 and of the profit of the Company for the said period;

iii. The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

iv. the directors have prepared the annual accounts on a going concern basis;

v. the Company being an unlisted public company, is not required to lay down internal financial controls to be followed by the Company; and

vi. the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

**13. Annual Return**

Pursuant to the provisions of Section 134(3)(a) of the Companies Act, 2013, Annual Return for the financial year ended 31st March 2026 is prepared as per the provisions of Section 92(3) of the Act, and Rule 12 of Companies (Management and Administration) Rules, 2014. The Company is required to host a copy of annual return on the website, if any of the Company and a web link of the same to be given in the Directors' Report. Since the company doesn't have any website hence the Company is not required to host the same.

**14. Board of Directors & Key Managerial Personnel**

**A. Board of Directors:**

As on 31st March 2026, the Board of Directors of the Company consisted of 3 (three) directors, as per details given in the table below:

| Sr. No. | Name of the Director | Category |
|---|---|---|
| 1 | Mr. Rajendra Sawant | Director |
| 2 | Mr. Neeraj Kant | Non-Executive Director |
| 3 | Mr. Dhanesh Kanaiyalal Goradia | Non-Executive Director (w.e.f.16/02/2026) |

Mr. Gurnam Singh (DIN:10877089) resigned from Directorship of the Company with effect from 16th February 2026. Mr. Dhanesh Kanaiyalal Goradia (DIN:10883753) appointed as an additional Director of the Company with effect from 16th February 2026. The Board places on record its deep sense of appreciation for the immense contribution made by them in the growth of the Company during their tenure as Directors of the Company.

Mr. Neeraj Kant retire by rotation and being eligible offer himself for reappointment. The Board recommends his reappointment.

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**B. Key Managerial Personnel:**

During the period under review, provisions related to appointment of the Key Managerial Personnel were not applicable.

## 15. Declaration of Independence

During the period under review, provisions related to appointments of Independent Directors were not applicable to the Company.

## 16. Board Meetings

The Board of Directors of the Company met 8 (Eight) times during the year under review on 15th May, 2025, 7th August 2025, 11th November 2025, 26th November 2025, 11th February 2026, 16th February 2026, 31st March 2026 (2 Board Meetings conducted on March 31, 2026). All the Directors attended all the meetings. Further, the time gap between the two Board Meetings was not more than 120 days.

## 17. Corporate Social Responsibility (CSR)

Provisions of section 135 of the Companies Act, 2013(the Act), were not applicable to the Company.

## 18. Risk Management Policy

The process of identification and evaluation of various risks inherent in the business environment and the operations of the Company and initiation of appropriate measures for prevention and/or mitigation of the same are dealt with by the concerned operational heads under the overall supervision of the Board of Directors of the Company. Key business risks and their mitigation are considered in the annual/strategic business plans and in periodic management reviews, adequacy of which has periodically assessed by the Board of Directors.

## 19. Adequacy of Internal Financial Controls

Adequate systems for internal controls provide assurances on the efficiency of operations, security of assets, statutory compliance, appropriate authorization, reporting and recording transactions. The scope of the audit activity is broadly guided by the annual audit plan approved by the top management and audit committee. The Internal Auditor prepares regular reports on the review of the systems and procedures and monitors the actions to be taken.

**20. A. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings & Outgo**

Information relating to energy conservation and technology absorption and Foreign exchange, as required to be disclosed under Section 134(3)(m) of the Companies Act, 2013 read with the Rule 8 (3) of the Companies (Accounts) Rules, 2014 for the financial year ended 31st March, 2026 is as under:

**a) Energy Consumption:**

The major manufacturing of the company is vendored out to Mukand Ltd. Hence, there is nothing to report in this clause.

**b) Technology Absorption:**

Nil.

**c) Foreign Exchange:**

Nil.

**B. Particulars of Employees**

During the year under review, the provisions of Section 197 of the Companies Act, 2013 read with Rule 5(2) and rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 were not applicable.

**21. Presentation of Financial Results**

The financial results of the Company for the financial year ended 31st March 2026 have been disclosed as per Schedule III to the Companies Act, 2013.

**22. Auditors**

**A. Cost Auditors:**

During the period under review, provisions related to Appointment of Cost Auditor were not applicable to the Company.

**B. Secretarial Auditor:**

During the period under review, provisions related to Appointment of Secretarial Auditor were not applicable to the Company.

**C. Statutory Auditors:**

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the rules made there under, the current auditors of the Company, M/s. DHC & Co., Chartered Accountants (Firm Registration No. 103525W) were appointed by the shareholders at the 1st Annual General Meeting held on 5th August 2024, to hold office until the conclusion of the 6th AGM.

The Statutory Auditors in their Report does not contain any qualification, reservation or adverse remark or disclaimer made by the Statutory Auditor.

**23. Maintenance of Cost Records**:

During the year under review the Company was not required to maintain the Cost records as specified by the Central Government under Section 148 of the Companies Act, 2013.

**24. Significant and Material orders passed by the Regulators or Courts:**

During the year, no significant and material orders were passed by any of the Regulators or Courts.

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**25. Disclosure as per Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the year under review, no complaints were received by the Committee formed under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

**26. Confirmation of Compliance of Secretarial Standards:**

The Company has complied with applicable Secretarial Standards during the year under review.

**27. Details in Respect of Frauds Reported by Auditors Pursuant to Section 143(12) of the Companies Act, 2013**

During the year under report there were no incidences of fraud against the Company reported by Auditors.

**28. Details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016**

During the year under report there was no application made, or any proceeding pending against the Company under the Insolvency and Bankruptcy Code, 2016.

**29. Details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof**

During the year under review the Company has not done any one time settlement for the loans taken from the Banks or Financial Institutions.

**30. Compliance with the provisions relating to the Maternity Benefit Act 1961**

The Company has complied with the provisions relating to the Maternity Benefit Act

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1961, during the year under review.

## 31. Acknowledgement:

The Board of Directors thanks the Banks, Central and State Government Authorities, Shareholders, Customers, Suppliers, Employees and Business Associates for their continued co-operation and support to the Company.

**For and on behalf of the Board of Directors**

| | | |
|---|---|---|
| | **Sd/-** | **Sd/-** |
| | Neeraj Kant | Rajendra Sawant |
| Date: May 13, 2026 | Director | Director |
| Place: Mumbai | DIN: 06598469 | DIN: 09756916 |

# INDEPENDENT AUDITOR'S REPORT

**To the Members of Mukand Heavy Engineering Limited**

**Report on the Audit of the Financial Statements**

**Opinion**

We have audited the accompanying financial statements of Mukand Heavy Engineering Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2026, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended March 31, 2026 and notes to the financial statements including a summary of material accounting policy information and other explanatory information (hereinafter referred to as "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 including the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, of the state of affairs of the Company as at March 31, 2026, its loss (including other comprehensive income), its 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 ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. 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. We have determined the matter(s) described below to be the key audit matter(s) to be communicated in our report.

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| Key Audit Matter | How our audit addressed the key audit matter |
|---|---|
| **Acquisition of Industrial Machinery Business of Mukand Limited in accordance with Ind AS 105**<br><br>The company acquired Industrial Machinery Business located at Kalwa-Thane as a going concern on March 31, 2026 by way of slump sale for a consideration of Rs. 4577.89 Lakhs.<br><br>An independent external professional valuation expert was engaged by the Management to perform valuation of shares to be allotted. Consequently, the Company has settled the purchase consideration by issue of 26,347 shares of Rs.10/- each at premium of Rs.17,355 per share<br><br>Significant assumptions and estimates were used by the Management and the external professional valuation expert in determination of the fair values Equity Shares.<br><br>Given the significance of the transaction to the financial statements and the degree of judgement involved in measurement of the consideration transferred, we considered this matter to be a Key Audit Matter. | Our audit procedures included, but were not limited to, the following:<br><br>• Involving our valuation specialists, where necessary, to challenge the assumptions used in the valuation model and benchmark them against available market data and accepted valuation practices<br><br>• Reviewing the terms of the Business Transfer Agreement and related legal documents to obtain an understanding of the transaction, to confirm the consideration; and the effective date of control;<br><br>• We evaluated the competence, capabilities and objectivity of the Management's expert;<br><br>• We understood the work of the expert, and evaluated the appropriateness of the expert's work<br><br>• We verified Form PAS 3 and Form MGT 14 for issue of Equity shares.<br><br>• The assets and liabilities acquired were verified with the Business Transfer agreement and other related documents.<br><br>• We assessed the adequacy of relevant disclosures in the financial statements.<br><br>Based on our procedures performed above, the management's assessment of acquisition of Industrial Machinery Business in accordance with the Ind AS 103 'Business Combinations' is considered to be reasonable. |

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**Other Information**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's Report, but does not include the financial statements, and our auditor's report thereon.

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

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Those Board of Directors is 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 this 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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.

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

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

**Report on Other Legal and Regulatory Requirements**

(1) As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we report in "Annexure 1", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

(2) As required by section 143(3) of the Act, we report that:

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books

c. The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this report are in agreement with the books of account;

d. In our opinion, the aforesaid financial statements comply with the Ind AS prescribed 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, and taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2026 from being appointed as a director in terms of section 164(2) of the Act;

f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure 2";

g. With respect to the other matter to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

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In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/ provided by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act;

h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, 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 statements - Refer Note 28 on Contingent Liabilities and commitments to the financial statements;

(ii) The Company did not have any long-term contracts including derivative contracts. Hence, the question of any material foreseeable losses does not arise;

(iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;

(iv) (a) The Management has represented that, to the best of its knowledge and belief, and as disclosed in the notes to accounts, 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;

(iv) (b) The management has represented that, to the best of its knowledge and belief, and as disclosed in the notes to accounts, 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;

(iv) (c) Based on the audit procedures that are considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

(v) The Company has not declared nor paid any dividend during the year. Hence, reporting the compliance with section 123 of the Act is not applicable.

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(vi) Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account for the financial year ended March 31, 2026 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of 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 DHC & Co.
Chartered Accountants
ICAI Firm Registration No.103525W

**Pradhan Dass**
Partner
Membership No.219962
UDIN: 26219962LVBJXU6144

Place: Bengaluru
Date: May 13, 2026

**ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT**

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section in the Independent Auditor's Report of even date to the members of Mukand Heavy Engineering Limited ("the Company") on the financial statements for the year ended March 31, 2026]

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information, explanations and written representation given to us by the management and the books of account and other records examined by us in the normal course of audit, we report that:

(i)

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

(a) (B) The Company does not have any Intangible Assets and accordingly, reporting under clause (i)(a)(B) of paragraph 3 of the Order is not applicable.

(b) During the year, the Property, Plant and Equipment of the Company have been physically verified by the management and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets

(c) The Company does not have any immovable property and accordingly, reporting under clause (i)(c) of paragraph 3 of the Order is not applicable.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) and/or Intangible Assets during the year. Accordingly, reporting under clause (i)(d) of paragraph 3 of the Order is not applicable.

(e) No proceedings have been initiated or are pending against the Company as at March 31, 2026 for holding any benami property under the Prohibition of Benami Property Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

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

(b) The Company has not obtained any sanctioned working capital limit during the year, from banks and/or financial institutions, on the basis of security of current assets. Therefore, reporting under clause (ii)(b) of paragraph 3 of the Order is not applicable.

(iii) During the year, the Company 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. Accordingly, reporting under clause (iii) of paragraph 3 of the Order is not applicable.

(iv) The provisions of section 185 and 186 of the Act are not applicable to the Company as the company has not granted any loan, or made any investment or provided any guarantee or security during the year. Accordingly reporting under clause (iv) of paragraph 3 of the order is not applicable.

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(v) In our opinion, the Company has not accepted any deposits or amounts which are deemed to be deposits. Accordingly, reporting under clause (v) of paragraph 3 of the Order is not applicable.

(vi) The Central Government has not prescribed the maintenance of cost records for any of the products of the Company under sub-section (1) of section 148 of the Act and the rules framed there under.

(vii)

(a) The Company is generally regular in depositing with the appropriate authorities, undisputed statutory dues including Goods and Services tax (GST), provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues applicable to it, though there has been a slight delay in a few cases. During the year 2017-18, sales tax, value added tax, service tax and duty of excise subsumed in GST and are accordingly reported under GST.

and

No undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, GST, customs duty, cess and any other material statutory dues applicable to it, were outstanding, at the year end, for a period of more than six months from the date they became payable, except as follows:

**Statement of Arrears of Statutory Dues Outstanding for More than Six Months**

| Name of the statute | Nature of the dues | Amount (in Rs.) | Period to which the amount relates | Due Date | Date of Payment | Remarks, if any |
|---|---|---|---|---|---|---|
| Maharashtra Goods & Service Tax Act | CGST under RCM | 1,620 | March,2025 | Apr 20, 2025 | Not paid | |
| | SGST under RCM | 1,620 | March, 2025 | Apr 20, 2025 | Not paid | |

(b) There are no dues with respect to provident fund, employees' state insurance, income tax, GST, sales tax, service tax, value added tax, customs duty, excise duty and cess, which have not been deposited on account of any dispute.

(viii) We have not come across any transaction(s) which were previously not recorded in the books of account of the Company that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

(ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) The Company did not obtain any money by way of term loans during the year/and there were no outstanding term loans at the beginning of the year. Accordingly, reporting under clause (ix)(c) of paragraph 3 of the Order is not applicable.

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(d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have, been used for long-term purposes by the Company.

(e) The Company does not have any subsidiary, associate or joint venture as defined under the Act and accordingly, reporting under clause (ix)(e) of paragraph 3 of the Order is not applicable.

(f) The Company does not have any subsidiary, associate or joint venture as defined under the Act and accordingly, reporting under clause (ix)(f) of paragraph 3 of the Order is not applicable.

(x) (a) The Company has not raised money by way of initial public issue offer / further public offer (including debt instruments) during the year. Therefore, reporting under clause (x)(a) of paragraph 3 of the Order is not applicable.

(b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially, or optionally convertible) during the year. Therefore, reporting under clause (x)(b) of paragraph 3 of the Order is not applicable.

(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 nor any fraud on the Company has been noticed or reported during the year, nor have we been informed of any such instance by the management.

(b) No report under section 143(12) of the Act has been filed with the Central Government by the auditors of the Company in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014, during the year or upto the date of this report.

(c) There are no whistle blower complaints received by the Company during the year and up to the date of this report.

(xii) In our opinion, the Company is not a Nidhi Company. Therefore, reporting under clause (xii) of paragraph 3 of the Order is not applicable.

(xiii) All transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable and the details have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) (a) In our opinion, 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) The Company has not entered into any non-cash transactions with its directors or persons connected with them during the year and hence, provisions of section 192 of the Act are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Therefore, reporting under clause (xvi)(a) and (b) of paragraph 3 of the Order are not applicable.

DHC & CO. * Chartered Accountants *

(b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without having a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.

(c) The Company is not a Core Investment Company (CIC) as defined in Core Investment Companies (Reserve Bank) Directions, 2016 ("Directions") by the Reserve Bank of India. Accordingly, reporting under clause (xvi)(c) and (d) of paragraph 3 of the Order are not applicable.

(d) As informed by the Company, the Group to which the Company belongs has 20 (twenty) CIC as part of the Group (including the CICs exempt from registration and CICs not registered).

(xvii) The Company has incurred cash losses for the current and the immediately preceding financial year amounting to Rs. 0.87 Lakhs and Rs. 0.36 Lakhs respectively.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly, reporting under clause (xviii) of paragraph 3 of the Order is not applicable.

(xix) 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 and 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 cause us to believe that any material uncertainty exists as on the date of this audit report and that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to 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) The provisions of section 135 of the Act are not applicable to the Company. Hence, reporting under clause (xx) of paragraph 3 of the Order is not applicable.

For **DHC & Co.**
Chartered Accountants
ICAI Firm Registration No. 103525W

DHC & CO. * Chartered Accountants *

**Pradhan Dass**
Partner
Membership No: 0219962
UDIN: 26219962LVBJXU6144

Place: Bengaluru
Date: May 13, 2026

## ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section in our Independent Auditor's Report of even date to the members of Mukand Heavy Engineering Limited on the financial statements for the year ended March 31, 2026]

**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 financial statements of Mukand heavy Engineering Limited ("the Company") as of March 31, 2026 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

### Management's Responsibility for Internal Financial Controls

The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements 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 (the "Guidance Note") 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 financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing specified under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to 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 financial statements and their operating effectiveness.

DHC & CO. * Chartered Accountants *

Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to 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 financial statements.

**Meaning of Internal Financial Controls with reference to Financial Statements**

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls with reference to Financial Statements**

Because of the inherent limitations of internal financial controls with reference to 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 financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

DHC & CO. * Chartered Accountants *

**Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2026, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal controls stated in the Guidance Note issued by the ICAI.

For **DHC & Co.**
Chartered Accountants
ICAI Firm Registration No. 103525W

**Pradhan Dass**
Partner
Membership No: 0219962
UDIN: 26219962LVBJXU6144

Place: Bengaluru
Date: May 13, 2026

Mukand Heavy Engineering Limited
(CIN : U28162MH2023PLC415488)

Balance Sheet as at March 31, 2026

(Rs. in Lakhs)

| Particulars | Note No | As at 31st March, 2026 | As at 31st March, 2025 |
|---|---|---|---|
| I ASSETS | | | |
| 1 Non-current assets | | | |
| (a) Property, plant and equipment | 3 | 19,008.98 | 791.87 |
| (b) Capital Work in progress | | 4,056.58 | 11,408.39 |
| (c) Intangible assets under development | | 450.58 | 200.47 |
| (d) Financial Assets | | | |
| i) Others financial assets | 4 | 28.96 | 29.21 |
| (e) Non-Current Tax Assets (Net) | 5 | 1.19 | 6.93 |
| (f) Other non-current assets | 6 | 183.66 | 846.07 |
| **Total Non - Current Assets** | | 23,729.95 | 13,282.94 |
| 2 Current Assets | | | |
| (a) Inventories | 7 | 1,835.23 | 0.12 |
| (b) Financial Assets | | | |
| i) Trade receivables | 8 | 5,321.73 | 59.95 |
| ii) Cash and cash equivalents | 9 | 5.65 | 11.11 |
| iii) Others financial assets | 4A | 50.00 | 50.00 |
| (c) Other current assets | 10 | 4,136.03 | 1,636.18 |
| **Total Current Assets** | | 11,348.64 | 1,757.36 |
| **Total Assets** | | 35,078.59 | 15,040.30 |
| | | 35,078.00 | |
| II EQUITY AND LIABILITIES | | | |
| Equity | | | |
| (a) Equity share capital | 11 | 12.63 | 10.00 |
| (b) Other equity | 12 | 2,490.96 | (403.10) |
| **Total Equity** | | 2,503.59 | (393.10) |
| LIABILITIES | | | |
| 1 Non-Current Liabilities | | | |
| (a) Financial liabilities | | | |
| i) Borrowings | 13 | 24,815.00 | 12,601.92 |
| ii) Other financial liabilities | 14 | 1,258.11 | 784.52 |
| (b) Provisions | 15 | 820.52 | 1.02 |
| Total Non -Current Liabilities | | 26,893.63 | 13,387.46 |
| 2 Current liabilities | | | |
| (a) Financial liabilities | | | |
| i) Trade payables due to | | | |
| - Micro Enterprises & Small Enterprises | 16 | 0.38 | 3.78 |
| - Other than Micro Enterprises & Small Enterprises | | 1,933.53 | 57.67 |
| ii) Other financial liabilities | 17 | 1,232.88 | 1,905.45 |
| (b) Other liabilities | 18 | 2,459.90 | 76.35 |
| (c) Provisions | 19 | 54.67 | 2.69 |
| **Total Current Liabilities** | | 5,681.36 | 2,045.94 |
| **Total Liabilities** | | 32,574.99 | 15,433.40 |
| **Total Equity and Liabilities** | | 35,078.59 | 15,040.30 |
| Statement of Material Accounting Policies adopted by the Company and Notes forming part of the Financial Statements | 1 to 40 | | |

As per our attached report of even date

For DHC & CO.
Chartered Accountants
ICAI FR No. 103525W

DHC & CO. ★ Chartered Accountants ★

**Pradhan Dass**
Partner
Membership No: 219962
Bengaluru
Date : May 13, 2026

For and on behalf of the Board of Directors of
**Mukand Heavy Engineering Limited**

**Dhanesh Goradia**
Director
DIN : 10883753
Mumbai
Date : May 13, 2026

MUKAND HEAVY ENGINEERING LIMITED ★ MUMBAI

**Rajendra Sawant**
Director
DIN : 09756916
Mumbai
Date : May 13, 2026

Mukand Heavy Engineering Limited
(CIN : U28162MH2023PLC415488)

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

(Rs. in Lakhs)

| | Particulars | Note No. | For the Year Ended 31st March, 2026 | For the Year Ended 31st March, 2025 |
|---|---|---|---|---|
| I. | Revenue from operations | 20 | 582.26 | 183.14 |
| II. | Other income | 21 | 2.44 | 0.30 |
| III. | **Total Income (I + II)** | | 584.70 | 183.44 |
| IV. | **Expenses:** | | | |
| | Cost of Material Consumed | 22 | 627.38 | 129.46 |
| | Changes in inventories of Finished Goods, Work-in-Progress and Stock-in-Trade | | (146.28) | - |
| | Employee benefits expense | 23 | 240.40 | 58.76 |
| | Finance costs | 24 | 659.32 | 37.96 |
| | Depreciation and amortization expense | 25 | 758.09 | 10.42 |
| | Other Expenses | 26 | 995.14 | 477.36 |
| | Expenditure Transferrred to Capital Accounts/ Capital work in Progress (Excluding Finance Cost) | | (921.33) | (153.99) |
| | **Total expenses (IV)** | | 2,212.71 | 559.97 |
| V. | **Loss for the year before Exceptional Items and tax ( III-IV)** | | (1,628.01) | (376.53) |
| VI. | **Exceptional Items** | | - | - |
| VII. | **Loss before tax (V- VI)** | | (1,628.01) | (376.53) |
| VIII. | **Tax expense:** | | | |
| | (i) Current tax | | - | - |
| | (ii) Deferred tax charge/(credit) | | - | - |
| IX. | **Loss for the year (VII-VIII)** | | (1,628.01) | (376.53) |
| X. | **Other Comprehensive Income** | | | |
| | **(i) Items that will not be reclassified to Profit or Loss** | | | |
| | (a) I. Remeasurement of Defined Benefit scheme | | - | - |
| | II. Income tax effect | | - | - |
| | **(ii) Items that will be reclassified to Profit or Loss** | | - | - |
| | **Other Comprehensive Income for the year (net of tax) (X)** | | - | - |
| XI. | **Total Comprehensive Income for the year (IX+X)** | | (1,628.01) | (376.53) |
| XII. | **Earnings per equity share of ₹ 10/- each** | 27 | | |
| | Basic | | (1,288.53) | (376.53) |
| | Diluted | | (1,288.53) | (376.53) |
| | Statement of Material Accounting Policies adopted by the Company and Notes forming part of the Financial Statements | 1 to 40 | | |

As per our attached report of even date

For DHC & CO.
Chartered Accountants
ICAI FR No. 103525W

DHC & CO. ★ Chartered Accountants ★

**Pradhan Dass**
Partner
Membership No: 219962
Bengaluru
Date : May 13, 2026

For and on behalf of the Board of Directors of
**Mukand Heavy Engineering Limited**

**Dhanesh Goradia**
Director
DIN : 10883753
Mumbai
Date : May 13, 2026

**Rajendra Sawant**
Director
DIN : 09756916
Mumbai
Date : May 13, 2026

MUKAND HEAVY ENGINEERING LIMITED ★ MUMBAI

Mukand Heavy Engineering Limited
(CIN : U28162MH2023PLC415488)

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

(Rs. in Lakhs)

| Particulars | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| Profit before income tax | (1,628.01) | (376.53) |
| Adjustments for: | | |
| Depreciation and amortisation expense | 758.09 | 10.42 |
| Finance Cost | 659.32 | 37.96 |
| **Operating profit before working capital changes** | (210.60) | (328.15) |
| (Increase) / Decrease in trade receivables | (348.42) | (35.01) |
| (Increase) / Decrease in inventories | (163.48) | - |
| (Increase) / Decrease in other financial assets | 0.25 | (73.46) |
| (Increase) / Decrease in other current/non-current assets | (197.22) | (1,635.49) |
| Increase / (Decrease) in trade payables | 417.06 | 57.59 |
| Increase / (Decrease) in other financial liabilities | (519.82) | 2,458.24 |
| Increase / (Decrease) in other current liabilities | 31.74 | 52.65 |
| Increase / (Decrease) in provisions | 40.69 | 3.71 |
| **Cash generated from operations** | (949.80) | 500.08 |
| Income taxes (paid) / refund - net | 5.74 | (6.93) |
| **Net cash inflow / (outflow) from operating activities (A)** | (944.06) | 493.16 |
| Cash flows from investing activities | | |
| Purchase of property, plant and equipment (including CWIP) | (9,539.47) | (12,067.46) |
| Advances given for Purchase of CWIP | - | (843.71) |
| Fixed Deposit purchased (Margin Money) | - | (5.00) |
| **Net cash (used in) / from Investing activities (B)** | (9,539.47) | (12,916.16) |
| Cash flows from financing activities | | |
| Issue of Equity Shares | - | - |
| Proceeds / (repayment) of borrowings (net) | 12,213.08 | 12,571.92 |
| Interest paid | (1,735.01) | (144.78) |
| **Net cash (used in) / from financing activities (C)** | 10,478.07 | 12,427.13 |
| Net increase / (decrease) in cash and cash equivalents (A+B+C) | (5.46) | 4.12 |
| Cash and cash equivalents at the beginning of the financial year | 11.11 | 6.99 |
| Cash and cash equivalents at end of the year (Refer Note 9) | 5.65 | 11.11 |

Note:
1. All figures in bracket are outflow.
2. The above cash flow statement has been prepared under the 'Indirect Method' as set out in Ind AS 7 - Statement of Cash Flows.

As per our attached report of even date

For DHC & CO.
Chartered Accountants
ICAI FR No. 103525W

DHC & CO. ★ Chartered Accountants ★

Pradhan Dass
Partner
Membership No: 219962
Bengaluru
Date : May 13, 2026

For and on behalf of the Board of Directors of
Mukand Heavy Engineering Limited

Dhanesh Goradia
Director
DIN : 10883753
Mumbai
Date : May 13, 2026

Rajendra Sawant
Director
DIN : 09756916
Mumbai
Date : May 13, 2026

MUKAND HEAVY ENGINEERING LIMITED ★ MUMBAI

Mukand Heavy Engineering Limited
(CIN : U28162MH2023PLC415488)

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

A. Equity share capital

(Rs. in Lakhs)

| Particulars | As at 31st March, 2026 | As at 31st March, 2025 |
|---|---|---|
| Balance at the beginning of the reporting year | 10.00 | 10.00 |
| Changes in Equity share capital during the year | 2.63 | - |
| **Balance at the end of the reporting year** | 12.63 | 10.00 |

B. Other equity

(Rs. in Lakhs)

| Particulars | Reserve and Surplus | | | | Items of OCI | Total |
|---|---|---|---|---|---|---|
| | Securities Premium | General Reserve | Capital Reserve | Retained Earnings | Remeasurement of Defined Benefit scheme through OCI | |
| **Balance as at 1st April, 2024** | - | - | - | (26.57) | - | (26.57) |
| Loss for the year FY 24-25 | - | - | - | (376.53) | - | (376.53) |
| Other Comprehensive Income for the year | - | - | - | - | - | - |
| **Balance as at 31st March, 2025** | - | - | - | (403.10) | - | (403.10) |
| **Loss for the year FY 25-26** | - | - | - | (1,628.01) | - | (1,628.01) |
| Premium on Issue of Equity Shares | 4,575.26 | - | - | - | - | 4,575.26 |
| Capital Reserve (Refer Note No. 39) | - | - | (53.19) | - | - | (53.19) |
| Other Comprehensive Income for the year | - | - | - | - | - | - |
| **Balance as at 31st March, 2026** | 4,575.26 | - | (53.19) | (2,031.11) | - | 2,490.96 |

As per our attached report of even date

For DHC & CO.
Chartered Accountants
ICAI FR No. 103525W

Pradhan Dass
Partner
Membership No: 219962
Bengaluru
Date : May 13, 2026

For and on behalf of the Board of Directors of
**Mukand Heavy Engineering Limited**

Dhanesh Goradia
Director
DIN : 10883753
Mumbai
Date : May 13, 2026

Rajendra Sawant
Director
DIN : 09756916
Mumbai
Date : May 13, 2026

Mukand Heavy Engineering Limited
Notes forming part of Financial Statements for the year ended March 31, 2026

Note 3: Property, Plant and Equipment (Rs. in Lakhs)

| Particulars | Plant and Equipment | Factory Building | Office Equipments | Furniture & Fixtures | Computers | Total |
|---|---|---|---|---|---|---|
| **Gross Carrying Amount** | | | | | | |
| As at 1 April 2025 | 781.37 | - | 5.58 | 3.04 | 12.31 | 802.30 |
| Additions (Refer Note No. 30) | 9,617.85 | 9,035.10 | 102.27 | 160.16 | 59.82 | 18,975.20 |
| Disposals | - | | - | - | - | - |
| As At 31 Mar 2026 | 10,399.22 | 9,035.10 | 107.86 | 163.20 | 72.12 | 19,777.50 |
| **Accumulated depreciation** | | | | | | |
| As at 1 April 2025 | 8.88 | - | 0.38 | 0.13 | 1.04 | 10.42 |
| Depreciation charge during the year | 612.55 | 118.26 | 9.60 | 5.53 | 12.16 | 758.09 |
| Disposals | - | | | | | - |
| As At 31 Mar 2026 | 621.42 | 118.26 | 9.97 | 5.65 | 13.20 | 768.51 |
| Net Carrying Amount as at 31 Mar, 2026 | 9,777.80 | 8,916.84 | 97.88 | 157.54 | 58.92 | 19,008.98 |

Note 3: Property, Plant and Equipment (Rs. in Lakhs)

| Particulars | Plant and Equipment | Factory Building | Office Equipments | Furniture & Fixtures | Computers | Total |
|---|---|---|---|---|---|---|
| **Gross Carrying Amount** | | | | | | |
| As at 1 April 2024 | 5.25 | - | - | - | - | 5.25 |
| Additions (Refer Note No. 30) | 776.12 | - | 5.58 | 3.04 | 12.31 | 797.04 |
| Disposals | - | | - | - | - | - |
| As At 31 March 2025 | 781.37 | - | 5.58 | 3.04 | 12.31 | 802.30 |
| **Accumulated depreciation** | | | | | | |
| As at 1 April 2024 | 0.01 | | - | - | - | 0.01 |
| Depreciation charge during the year | 8.87 | - | 0.38 | 0.13 | 1.04 | 10.42 |
| Disposals | - | | | | | - |
| As At 31 March 2025 | 8.88 | - | 0.38 | 0.13 | 1.04 | 10.42 |
| Net Carrying Amount as at 31 March, 2025 | 772.49 | - | 5.21 | 2.91 | 11.26 | 791.87 |

DHC & CO. * Chartered Accountants *

MUKAND HEAVY ENGINEERING LIMITED * MUMBAI

Note:

3(a) The company does not own any immovable properties.

3(b) The Company has not revalued its Property, Plant and Equipment during the year ended March 31, 2026.

3(c) The Company does not hold any Benami Property and does not have any proceedings initiated or pending for holding benami property under the Benami Transactions (Prohibitions) Act, 1988 and the rules made thereunder.

3(d) Property, Plant and Equipment are free from any encumbrances.

3(e) Refer Note 28 for Disclosure of contractual commitment for the acqusition of PPE/CWIP.

3 (f) Capital Work-in-Progress (CWIP):

**(i) Aging of CWIP as on 31 March 2026**

(Rs. in Lakhs)

| CWIP | Amount in CWIP for a period of | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 Year | 1 - 2 Years | 2 - 3 Years | More than 3 Years | |
| Projects in Progress | 3,853.40 | 203.18 | - | - | 4,056.58 |
| Projects temporarily suspended | - | - | - | - | - |
| Total | 3,853.40 | 203.18 | - | - | 4,056.58 |

**Aging of CWIP as on 31 March 2025**

(Rs. in Lakhs)

| CWIP | Amount in CWIP for a period of | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 Year | 1 - 2 Years | 2 - 3 Years | More than 3 Years | |
| Projects in Progress | 11,408.39 | - | - | - | 11,408.39 |
| Projects temporarily suspended | - | - | - | - | - |
| Total | 11,408.39 | - | - | - | 11,408.39 |

Capital-work-in progress does not comprise of any project, whose completion is overdue.
There are no overdue projects or any project whose cost exceeds its original budget

**(ii) Aging of Intangible Assets under Development as on 31 March 2026**

(Rs. in Lakhs)

| CWIP | Amount in CWIP for a period of | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 Year | 1 - 2 Years | 2 - 3 Years | More than 3 Years | |
| Projects in Progress | 250.11 | 200.47 | - | - | 450.58 |
| Projects temporarily suspended | - | - | - | - | - |
| Total | 250.11 | 200.47 | - | - | 450.58 |

**Aging of Intangible Assets under Development as on 31 March 2025**

(Rs. in Lakhs)

| CWIP | Amount in CWIP for a period of | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 Year | 1 - 2 Years | 2 - 3 Years | More than 3 Years | |
| Projects in Progress | 200.47 | - | - | - | 200.47 |
| Projects temporarily suspended | - | - | - | - | - |
| Total | 200.47 | - | - | - | 200.47 |

DHC & CO. Chartered Accountants

MUKAND HEAVY ENGINEERING LIMITED MUMBAI

Note 4: Other Non-Current Financial Assets

(Rs. in Lakhs)

| Particulars | As at 31st March, 2026 | As at 31st March, 2025 |
|---|---|---|
| Security Deposits | 23.96 | 24.21 |
| Other Bank Balance : | | |
| Fixed Deposit (Margin Money - Under lien with Bank) | 5.00 | 5.00 |
| Total | 28.96 | 29.21 |

Note 4A: Other Current Financial Assets

(Rs. in Lakhs)

| Particulars | As at 31st March, 2026 | As at 31st March, 2025 |
|---|---|---|
| Security Deposits (Refer Note No. 30) | 50.00 | 50.00 |
| Total | 50.00 | 50.00 |

Note 5: Non-Current Tax Assets (Net)

(Rs. in Lakhs)

| Particulars | As at 31st March, 2026 | As at 31st March, 2025 |
|---|---|---|
| TCS Receivable | 0.02 | 6.93 |
| TDS Receivable | 1.17 | - |
| Total | 1.19 | 6.93 |

Note 6: Other Non-Current Assets

(Rs. in Lakhs)

| Particulars | As at 31st March, 2026 | As at 31st March, 2025 |
|---|---|---|
| Advance to Capital Creditors | 183.66 | 846.07 |
| Total | 183.66 | 846.07 |

Note 7: Inventories

(Rs. in Lakhs)

| Particulars | As at 31st March, 2026 | As at 31st March, 2025 |
|---|---|---|
| Raw Material | 17.33 | 0.12 |
| Stores & Spares | 55.59 | |
| Work-in-Progress | 90.69 | - |
| Raw Materials, Stores & Spares and WIP acquired on account of Slump Sale | 1,671.62 | - |
| Total | 1,835.23 | 0.12 |

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Note 8: Trade receivables

(Rs. in Lakhs)

| Particulars | As at 31st March, 2026 | As at 31st March, 2025 |
|---|---|---|
| Considered good - Secured | - | - |
| Considered good - Unsecured | 5,321.83 | 63.10 |
| Which have significant increase in Credit Risk | - | - |
| Credit Impaired | - | - |
| Less: Allowances as per expected credit loss model | (0.10) | (3.16) |
| Total | 5,321.73 | 59.95 |

Note a) No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Further no trade or other receivable are due from firms or private companies respectively in which any director is a partner, or director or member.

Note b) The Company's Exposure to credit risk and loss allowances related to trade receivable and disclosed in Note No. 29.

Note c) Receivables are free from any encumberances.

Note d) Trade Receivables Ageing schedule is as under :

(Rs. in Lakhs)

| Particulars | Outstanding for following periods from due date of payment as on 31 March 2026 | | | | | | Total |
|---|---|---|---|---|---|---|---|
| | Not Due | Less than 6 months | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | |
| (i) Undisputed Trade receivables - considered good unsecured | 2,197.35 | 3,122.51 | 1.97 | - | - | - | 5,321.83 |
| (ii) Undisputed Trade receivables - which have significant increase in credit risk | - | - | - | - | - | - | - |
| (iii) Undisputed Trade receivables - credit impaired | - | - | - | - | - | - | - |
| (iv) Disputed Trade receivables - considered good | - | - | - | - | - | - | - |
| (v) Disputed Trade receivables - which have significant increase in credit risk | - | - | - | - | - | - | - |
| (vi) Disputed Trade receivables - credit impaired | - | - | - | - | - | - | - |
| Total | - | 3,122.51 | 1.97 | - | - | - | 5,321.83 |

| Particulars | Outstanding for following periods from due date of payment as on 31 March 2025 | | | | | | Total |
|---|---|---|---|---|---|---|---|
| | Not Due | Less than 6 months | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | |
| (i) Undisputed Trade receivables - considered good unsecured | 45.94 | 17.16 | - | - | - | - | 63.10 |
| (ii) Undisputed Trade receivables - which have significant increase in credit risk | - | - | - | - | - | - | - |
| (iii) Undisputed Trade receivables - credit impaired | - | - | - | - | - | - | - |
| (iv) Disputed Trade receivables - considered good | - | - | - | - | - | - | - |
| (v) Disputed Trade receivables - which have significant increase in credit risk | - | - | - | - | - | - | - |
| (vi) Disputed Trade receivables - credit impaired | - | - | - | - | - | - | - |
| Total | 45.94 | 17.16 | - | - | - | - | 63.10 |

Note 9: Cash and cash equivalents and Other Bank Balance

(Rs. in Lakhs)

| Particulars | As at 31st March, 2026 | As at 31st March, 2025 |
|---|---|---|
| Cash And Cash Equivalents | | |
| Balances with banks in current account | 5.65 | 11.11 |
| Cash on hand | - | - |
| Total | 5.65 | 11.11 |

Note 10: Other Current Assets

(Rs. in Lakhs)

| Particulars | As at 31st March, 2026 | As at 31st March, 2025 |
|---|---|---|
| *Unsecured, considered good unless otherwise stated* | | |
| GST Receivable | 2,386.93 | 1,636.12 |
| Interest Receivable | 0.04 | 0.04 |
| Advance to Creditors | 82.89 | - |
| Unbilled Revenue | 1,658.22 | - |
| Prepaid Expenses | 6.13 | 0.03 |
| Advance to Employees | 1.82 | - |
| Total | 4,136.03 | 1,636.19 |

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## Note 11: Equity Share Capital

(a) Authorised & Issued Share capital: (Rs. in Lakhs)

| Particulars | As at 31st March, 2026 | As at 31st March, 2025 |
|---|---|---|
| **Authorised Share Capital**<br>20,00,000 Equity Shares of ₹ 10 each | 200.00 | 200.00 |
| Total | 200.00 | 200.00 |
| **Issued Share Capital**<br>1,26,347 Equity Shares of ₹ 10 each | 12.63 | 10.00 |
| Total | 12.63 | 10.00 |

(b) Subscribed and paid capital (Rs. in Lakhs)

| Particulars | As at 31st March, 2026 | | As at 31st March, 2025 | |
|---|---|---|---|---|
| | No. of Shares | Amount | No. of Shares | Amount |
| i) Equity shares of ₹ 10 each fully paid up | 1,26,347 | 12.63 | 1,00,000 | 10.00 |
| | | | | |
| Total | 1,26,347 | 12.63 | 1,00,000 | 10.00 |

(c) Reconciliation of number of equity shares (Rs. in Lakhs)

| Particulars | As at 31st March, 2026 | | As at 31st March, 2025 | |
|---|---|---|---|---|
| | No. of Shares | Amount | No. of Shares | Amount |
| Balance at the beginning of the Year | 1,00,000 | 10.00 | 1,00,000 | 10.00 |
| Add : Issued during the year | 26,347 | 2.63 | - | - |
| Balance at the end of the Year | 1,26,347 | 12.63 | 1,00,000 | 10.00 |

(d) Details of shareholders holding more than 5% of the aggregate shares of the the company

| Particulars | As at 31st March, 2026 | | As at 31st March, 2025 | |
|---|---|---|---|---|
| | No. of Shares | % of holding | No. of Shares | % of holding |
| Mukand Limited | 1,26,347 | 100.00% | 99,900 | 99.90% |

(e) Rights, preferences and restrictions attached to shares

Mukand Heavy Engineering Limited ('the Company') has only one class of equity share having a par value of Rs. 10/- per share. Each holder of equity share is entitled to one vote per share.

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.

(f) Details of shares held by holding company

| Particulars | As at 31st March, 2026 | | As at 31st March, 2025 | |
|---|---|---|---|---|
| | No. of Shares | % of holding | No. of Shares | % of holding |
| Mukand Limited | 1,26,347 | 100.00% | 99,900 | 99.90% |

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As per records of the Company, including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

(g) There are no bonus shares issued and shares bought back since inception.

(h) There are no shares reserved for issue under options and contracts / commitments for date of shares/disinvestment.

(i) There are no unpaid calls from any Director and officer.

(j) No Dividend has been declared for the year ended March 31, 2026 by the company.

**(k) Aggregate value of Issued, Subscribed and Paid-up Share Capital as on the Balance Sheet date for the period of preceding five years includes:**

(i) 26,347 Equity shares having Face Value of Rs. 10/- each were issued & allotted as fully paid-up pursuant to acquisition of Industrial Machinery Business of Mukand Limited, without payment being received in cash (Refer Note 39).

**Note 12: Other Equity** (Rs. in Lakhs)

| Particulars | As at 31st March, 2026 | As at 31st March, 2025 |
|---|---|---|
| Other Equity | 2,490.96 | (403.10) |
| Total | 2,490.96 | (403.10) |

Note a : Movement in Reserves (Rs. in Lakhs)

| Particulars | As at 31st March, 2026 | As at 31st March, 2025 |
|---|---|---|
| Balance at the beginning of the year | (403.10) | (26.57) |
| Deficit in statement of Profit & Loss | (1,628.01) | (376.53) |
| Securities Premium | 4,575.26 | - |
| Capital Reserve | (53.19) | - |
| Balance at the end of the year | 2,490.96 | (403.10) |

**Securities Premium**

Securities Premium Reserve represents the amount received in excess of the face value of equity shares issued by the Company. The reserve is maintained in accordance with the provisions of Section 52 of the Companies Act, 2013 and may be utilized only for the purposes specified therein, including issuance of bonus shares, writing off preliminary expenses, writing off expenses, commission or discount on issue of shares or debentures, and providing for premium payable on redemption of redeemable preference shares or debentures.

**Capital reserve**

Capital Reserve represents amounts arising from capital transactions and is not available for distribution as dividend. The reserve primarily comprises loss arising on purchase of Industrial Machinery Business of Mukand Limited where the excess of consideration paid over the net assets acquired is debited to Capital Reserve. This reserve is to be utilized in accordance with the applicable provisions of the Companies Act, 2013.

**Retained Earnings**

Retained Earnings are the balance (debit/credit) in the statement of Profit and loss.

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Note 13: Borrowings (Rs. in Lakhs)

| Particulars | As at 31st March, 2026 | As at 31st March, 2025 |
|---|---|---|
| Unsecured (from Holding company)<br>Inter corporate deposits - Mukand Ltd | 24,815.00 | 12,601.92 |
| Total | 24,815.00 | 12,601.92 |

Note 13 (a) : During the year, Company has taken additional unsecured loan (ICD) of Rs. 12,213.08 lakhs (P.Y. Rs. 12,572 lakhs ) from Mukand Limited (Holding Company) for the purpose of setting up capital project and to meet its working capital requirement. Loan is repayable on or before March 31, 2027. The borrowings carry interest rate @ 10.50% PA.

Note 13 (b) : The Company has not defaulted in the payment of interest and instalments of the loans as at 31 March 2026.
Note 13 (c) : Company has not borrowed funds from banks or financial institutions on the basis of security of current assets.

Note 14: Other Financial Liabilities - Non Current (Rs. in Lakhs)

| Particulars | As at 31st March, 2026 | As at 31st March, 2025 |
|---|---|---|
| Retention Money Payable | 1,258.11 | 784.52 |
| Total | 1,258.11 | 784.52 |

Note 15: Provisions - Non Current (Rs. in Lakhs)

| Particulars | As at 31st March, 2026 | As at 31st March, 2025 |
|---|---|---|
| Provision for Employee Benefits - Gratuity | 575.60 | 1.02 |
| Provision for Leave Encashment | 244.92 | - |
| Total | 820.52 | 1.02 |

Note 16: Trade Payable (Rs. in Lakhs)

| Particulars | As at 31st March, 2026 | As at 31st March, 2025 |
|---|---|---|
| Trade Payable | | |
| Micro Enterprises & Small Enterprises | 0.38 | 3.78 |
| Other than Micro Enterprises & Small Enterprises | 1,933.53 | 57.67 |
| Total | 1,933.91 | 61.45 |

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Note (a): Aging of Trade Payables is as given below:

(Rs. in Lakhs)

| Particulars | Outstanding for following periods from due date of payment as on 31 March 2026 | | | | | Total |
|---|---|---|---|---|---|---|
| | Not Due | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| (i) MSME | 0.38 | - | - | - | - | 0.38 |
| (ii) Others | 1,879.89 | 53.64 | - | - | - | 1,933.53 |
| (iii) Disputed dues – MSME | - | - | - | - | - | - |
| (iv) Disputed dues - Others | - | - | - | - | - | - |
| Total | 1,880.27 | 53.64 | - | - | - | 1,933.91 |

(Rs. in Lakhs)

| Particulars | Outstanding for following periods from due date of payment as on 31 March 2025 | | | | | Total |
|---|---|---|---|---|---|---|
| | Not Due | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| (i) MSME | 3.78 | - | - | - | - | 3.78 |
| (ii) Others | 53.22 | 4.46 | - | - | - | 57.67 |
| (iii) Disputed dues – MSME | - | - | - | - | - | - |
| (iv) Disputed dues - Others | - | - | - | - | - | - |
| Total | 56.99 | 4.46 | - | - | - | 61.45 |

a) For Payables to related parties, refer Note No. 30.

b) Disclosure in respect of creditors registered under Micro, Small and Medium Enterprises Development Act, 2006 (MSMEDA) is as under:

(Rs. in Lakhs)

| Particulars | As at 31st March, 2026 | As at 31st March, 2025 |
|---|---|---|
| The principal amount and the interest due thereon remaining unpaid to suppliers | | |
| a i) Principal not due | 0.38 | 3.78 |
| ii) Interest due thereon | - | - |
| b i) Interest actually paid under section 16 of the MSMEDA | - | - |
| ii) Amount of payment made to suppliers beyond the | - | - |
| c) Amount of interest due and payable for the period of delay in making payment (which have been paid and beyond the appointed day during the year) but without adding interest under MSMEDA | - | - |
| d) Amount of interest accrued and remaining unpaid | - | - |
| e) Amount of further interest remaining due and payable even in the succeeding years, until such dates when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under MSMEDA | - | - |

The disclosure above is based on the information available with Company regarding the status of the suppliers under the MSME.

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## Note 17: Other Financial Liabilities - Current

(Rs. in Lakhs)

| Particulars | As at 31st March, 2026 | As at 31st March, 2025 |
|---|---|---|
| Interest Accrued on ICD | 552.47 | 231.63 |
| Creditors for Capital Work in progress | 680.41 | 1,668.31 |
| Salary Payable | - | 5.51 |
| Total | 1,232.88 | 1,905.45 |

Note (a): For payables due to related parties, refer Note No. 30.

## Note 18: Other Current Liabilities

(Rs. in Lakhs)

| Particulars | As at 31st March, 2026 | As at 31st March, 2025 |
|---|---|---|
| Statutory Dues Payable | 93.50 | 74.97 |
| Advance from Customers | 2,365.41 | - |
| Other Liability | 0.99 | 1.38 |
| Total | 2,459.90 | 76.35 |

## Note 19: Provisions - Current

(Rs. in Lakhs)

| Particulars | As at 31st March, 2026 | As at 31st March, 2025 |
|---|---|---|
| Provision for Gratuity | 33.92 | - |
| Provision for Leave Encashment | 12.85 | - |
| Provision for Employee Benefits - Variable Pay | 7.90 | 2.69 |
| Total | 54.67 | 2.69 |

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## Note: 20 Revenue from Operations

(Rs. in Lakhs)

| Particulars | For the Year Ended 31st March, 2026 | For the Year Ended 31st March, 2025 |
|---|---|---|
| Revenue from Product and Services | | |
| Engineering Contracts | 185.23 | 183.14 |
| Job Works | 397.03 | - |
| **Total** | **582.26** | **183.14** |

## Note: 21 Other income

(Rs. in Lakhs)

| Particulars | For the Year Ended 31st March, 2026 | For the Year Ended 31st March, 2025 |
|---|---|---|
| Interest on Fixed Deposit Receipt | 0.35 | 0.30 |
| Interest on Income Tax Refund | 0.38 | - |
| Other Miscellaneous Income | 1.71 | - |
| Total | 2.44 | 0.30 |

## Note: 22 Cost of Material Consumed

(Rs. in Lakhs)

| Particulars | For the Year Ended 31st March, 2026 | For the Year Ended 31st March, 2025 |
|---|---|---|
| Opening Stock | 0.12 | 0.12 |
| Add: Purchase | 258.30 | 129.46 |
| Add : Direct Expenses | 386.29 | - |
| Less : Closing Stock | (17.33) | (0.12) |
| Total | 627.38 | 129.46 |

## Note: 22A Changes in inventories of finished goods, work-in-progress and stock-in-trade

(Rs. in Lakhs)

| Particulars | For the Year Ended 31st March, 2026 | For the Year Ended 31st March, 2025 |
|---|---|---|
| **Work in progress:** | | |
| Opening stock | - | - |
| Less: Closing stock | (146.28) | - |
| **Net (increase) /decrease in inventories** | **(146.28)** | **-** |

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**Note : 23 Employee benefits expense** (Rs. in Lakhs)

| Particulars | For the Year Ended 31st March, 2026 | For the Year Ended 31st March, 2025 |
|---|---|---|
| Salaries and wages | 172.77 | 53.86 |
| Contributions to provident and other funds | 36.90 | 4.61 |
| Staff Welfare Expenses | 30.73 | 0.29 |
| Total | **240.40** | **58.76** |

**Note: 24 Finance Costs** (Rs. in Lakhs)

| Particulars | For the Year Ended 31st March, 2026 | For the Year Ended 31st March, 2025 |
|---|---|---|
| Interest Expenses (Refer Note No. 30) | 2,055.85 | 376.41 |
| Less: Interest Capitalized during the year | (1,396.53) | (338.44) |
| **Total** | **659.32** | **37.96** |

**Note: 25 Depreciation and amortisation expense** (Rs. in Lakhs)

| Particulars | For the Year Ended 31st March, 2026 | For the Year Ended 31st March, 2025 |
|---|---|---|
| Depreciation of property, plant and equipment (Refer Note No. 3) | 758.09 | 10.42 |
| **Total** | 758.09 | **10.42** |

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Note: 26 Other expenses (Rs. in Lakhs)

| Particulars | For the Year Ended 31st March, 2026 | For the Year Ended 31st March, 2025 |
|---|---|---|
| Stores, Spares, Components, Tools, etc consumed | 53.66 | 4.36 |
| Power and Fuel consumed | 200.54 | 58.14 |
| Sub-Contracting Expenses | - | 35.05 |
| Water Charges | 8.63 | 2.44 |
| Freight Charges | 0.24 | 1.04 |
| Bank Charges | 0.00 | 0.32 |
| Commercial Rent | 300.00 | 300.00 |
| Repairs & Maintenance | 0.35 | 0.20 |
| Services Charges-MIDC | 5.22 | 7.77 |
| Rate & Taxes | 9.35 | 0.27 |
| Insurance | 19.64 | 16.13 |
| Legal and Professional Fees (Refer Note 26A) | 29.57 | 14.07 |
| Security Service Charges | 72.95 | 17.61 |
| Provision for Doubtful Debts | (3.06) | 3.16 |
| Miscellaneous Expenses | 298.05 | 16.81 |
| Total | 995.14 | 477.36 |

Note 26A : Audit Remuneration (Excluding GST) (Rs. in Lakhs)

| Particulars | For the Year Ended 31st March, 2026 | For the Year Ended 31st March, 2025 |
|---|---|---|
| For Statutory Audit fees | 3.00 | 3.00 |
| For Other Services | 1.50 | 1.50 |
| Out of Pocket Expenses | - | - |
| Total | 4.50 | 4.50 |

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Note 27: Earnings per Share (EPS)

| Particulars | As at 31st March, 2026 | As at 31st March, 2025 |
|---|---|---|
| Net Profit after Taxation as per Statement of Profit & Loss (Rs. In Lakhs) | (1,628.01) | (376.53) |
| Net Profit for calculation of basic / diluted EPS [including Exceptional Items (net)] (Rs. In Lakhs) | (1,628.01) | (376.53) |
| Weighted average number of equity shares outstanding | 1,26,347 | 1,26,347 |
| Basic and diluted EPS (face value Rs.10/- per share) (in Rs.) | (1,288.53) | (298.01) |

During the year, the Company has issued additional shares in consideration of business acquired on Slump sale basis. Hence, the basic and diluted earnings per share for preceding period presented have been adjusted in accordance with Ind AS 33, Earnings per Share.

Note 28: Contingent Liabilities and Capital Commitments (Rs. in Lakhs)

| Particulars | As at 31st March, 2026 | As at 31st March, 2025 |
|---|---|---|
| i. Contingent liabilities | - | - |
| ii. Corporate Gurantees given | - | - |
| iii. Capital Commitments (net of advances) | - | - |
| Estimated value of contracts in capital account remaining to be executed and not provided for (net of capital advances) | 2,131.41 | 6,017.60 |
| Total | 2,131.41 | 6,017.60 |

Mukand Heavy Engineering Limited
Notes forming part of Financial Statements for the year ended March 31, 2026

Note 29: Financial Risk Management

The process of identification and evaluation of various risks inherent in the business environment and the operations of the Company and initiation of appropriate measures for prevention and/or mitigation of the same are dealt with by the concerned operational heads under the overall supervision of the Directors of the Company. The Directors periodically review the adequacy and efficacy of the overall risk management system. The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company has in place adequate Internal Financial Controls with reference to financial statements and such internal financial controls are operating effectively. The Company has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records and timely preparation of reliable financial statements.
The Company has exposure to the following risks arising from financial instruments:
• Credit risk
• Liquidity risk and
• Market risk

(A) Credit risk
Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's trade and other receivables. The carrying amounts of financial assets represent the maximum credit risk exposure.

i. Trade and Other receivables
An impairment analysis is performed at each reporting date. The expected credit losses over lifetime of the asset are estimated by adopting the simplified approach using a provision matrix. The loss rates are computed using a 'roll rate' method based on the probability of receivable progressing through successive stages till full provision for the trade receivable is made.

The ageing analysis of trade receivables (gross) has been considered from the date the invoice falls due -
(Rs. in Lakhs)

| Particulars | As at 31st March 2026 | As at 31st March 2025 |
|---|---|---|
| Not due | - | 45.94 |
| 0 to 180 days past due date | 3,122.51 | 17.16 |
| More than 180 days past due date | 1.97 | - |
| | 3,124.48 | 63.10 |

The following table summarizes the changes in loss allowances measured using life time expected credit loss model -
(Rs. in Lakhs)

| Particulars | As at 31st March 2026 | As at 31st March 2025 |
|---|---|---|
| Opening Provision | 3.16 | - |
| Provision during the year | 0.10 | 3.16 |
| Reversal of provision | (3.16) | - |
| Closing provision | 0.10 | 3.16 |

ii. Cash and bank balances
The Company held cash and cash equivalent and other bank balance of ₹ 5.65 Lakhs at March 31, 2026 (March 31, 2025: ₹ 11.11 Lakhs). The same are generaly held with scheduled bank. Also, Company invests its short term surplus funds in schedule bank fixed deposit which carry no market risks for short duration, therefore does not expose the Company to credit risk.

iii. Others
Other than the financial assets reported above, the Company has no other financial assets which carries any significant credit risk.

(B) Liquidity risk
Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.
The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of the financial assets and liabilities.

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Maturity Profile of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted.

(Rs. in Lakhs)

| As at March 31, 2026: | 1 year or less | 1-2 years | More than 2 years | Total |
|---|---|---|---|---|
| Long term borrowings | - | 24,815.00 | - | 24,815.00 |
| Short term borrowings | - | - | - | - |
| Trade payables | 1,933.91 | - | - | 1,933.91 |
| Other financial liabilities | 1,232.88 | 1,258.11 | - | 2,490.99 |
| Total | 3,166.79 | 26,073.11 | - | 29,239.90 |

(Rs. in Lakhs)

| As at March 31, 2025: | 1 year or less | 1-2 years | More than 2 years | Total |
|---|---|---|---|---|
| Long term borrowings | - | 12,601.92 | - | 12,601.92 |
| Short term borrowings | - | - | - | - |
| Trade payables | 61.45 | - | - | 61.45 |
| Other financial liabilities | 1,905.45 | 784.52 | - | 2,689.97 |
| Total | 1,966.90 | 13,386.44 | - | 15,353.34 |

(C) Market risk

Market risk is the risk that arises from changes in market prices such as interest rates (interest rate risk). They will affect the Company's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Interest rate risk

Interest rate risk is the risk that the fair value or future cashflows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long term debt obligation at floating interest rates. The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

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MUKAND HEAVY ENGINEERING LIMITED MUMBAI

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Notes forming part of Financial Statements for the year ended March 31, 2026

## Note 30: Related Party Disclosures

a) Details of related parties:

| Description of Relationship | Status | Name of the related party |
|---|---|---|
| **A. Enterprises exercising control** | | |
| i) Holding Company | Indian Company | Mukand Limited |
| **B. Enterprises where control exists** | | |
| i) Fellow Subsidiary | Indian Company | Mukand Sumi Metal Processing Limited |
| ii) Other Related Party | Indian Company | Mukand Sumi Special Steels Limited |
| **C. Key Management Personnel** | Director | Mr. Neeraj Kant |
| | Director | Mr. Gurnam Singh (up to 16 February 2026) |
| | Director | Mr. Dhanesh Goradia ( w.e.f 16 February 2026) |
| | Director | Mr. Rajendra Sawant |

b) Details of Related Party Transactions (excluding Taxes): (Rs. in Lakhs)

| Name of the related party | Nature of Transaction | For the Year Ended 31st March, 2026 | For the Year Ended 31st March, 2025 |
|---|---|---|---|
| Mukand Limited | Purchase of PPE / CWIP | 418.09 | 2,346.00 |
| | Interest on Inter Corporate Deposits | 2,055.85 | 376.41 |
| | Loan/ Inter Company Deposit | 12,243.08 | 12,571.92 |
| | Aggregate value of Assets acquired | 9,162.70 | |
| | Aggregate value of Liabilities transferred | 4,638.00 | |
| | Issue of shares | 2.63 | - |
| | Premium on issue of shares | 4,575.26 | - |
| | Job work charges | 397.03 | - |
| Mukand Sumi Special Steels Limited | Leasehold Rent | 300.00 | 300.00 |
| | Security Deposit | - | 50.00 |
| | Sale of Cranes | 184.70 | - |

c) Details of balances outstanding for Related Party Transactions (Rs. in Lakhs)

| Particulars | Nature of Transaction | As at 31st March, 2026 | As at 31st March, 2025 |
|---|---|---|---|
| Mukand Limited | Amount payable in respect of Borrowings | 24,815.00 | 12,601.92 |
| | Amount payable in respect of Interest accrued on Inter- Corporate Deposit (Net of TDS) | 552.47 | 231.63 |
| | Amount payable in respect of Capital Goods purchased | - | 772.67 |
| | Amount receivable in respect of Job work services provided | 406.50 | - |
| Mukand Sumi Special Steels Limited | Amount receivable in Security Deposit for services received | 50.00 | 50.00 |
| | Amount payable in respect of Services received | 27.00 | |
| | Advance for supply of goods | 12.24 | 27.00 |

d) Name of the related party and the related party relationship where control exists have been disclosed only when there have been transactions with those parties. Related parties as defined under para 9 of Ind AS 24 "Related Party Disclosures" have been identified by the Company based on the representations made by Key managerial personnel and information available with the Company and relied upon by the Auditors.

e) The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

**Note 31:** There are no financial instruments which are offset, or subject to enforceable master netting arrangements and other similar agreements but not offset, as at the reporting date.

## Note 32: Capital Management

The primary objective of the Company's capital management is to ensure that it maintains an efficient capital structure and maximize shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions, annual operating plans, long term and other strategic investment plans. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders or issue new shares. No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2026.

The Company monitors capital using a ratio of 'adjusted net debt' to 'equity'. For this purpose, adjusted net debt is defined as interest-bearing loans and borrowings less cash and cash equivalents & Current Investments. Equity comprises all components of equity including share premium and all other equity reserves attributable to the equity share holders.

The Company's adjusted net debt to total equity ratio is as follows:

(Rs. in Lakhs)

| Particulars | 31-Mar-26 | 31-Mar-25 |
|---|---|---|
| Borrowings: | | |
| Long term and Short term borrowings | 24,815.00 | 12,601.92 |
| Less: Cash & Cash Equivalents | (5.65) | (11.11) |
| Less : Current Investments | - | - |
| **Adjusted net debt** | **24,809.35** | **12,590.81** |
| **Total Equity** | **2,503.59** | **(393.10)** |
| Adjusted net debt to total equity ratio | 9.91 | (32.03) |

DHC & CO. * Chartered Accountants *

MUKAND HEAVY ENGINEERING LIMITED * MUMBAI

Mukand Heavy Engineering Limited
Notes forming part of Financial Statements for the year ended March 31, 2026

Note 33: Employee Benefits

A. Defined contribution plans

The Company also contributes on a defined contribution basis to employees' provident fund and superannuation fund. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund (an exempted Trust). The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the year towards defined contribution plans:

(Rs. in Lakhs)

| Particulars | For the Year Ended 31st March, 2026 | For the Year Ended 31st March, 2025 |
|---|---|---|
| Employer's Contribution to PF | 4.77 | 1.45 |
| Employer's Contribution to FPF | 1.31 | 0.49 |
| Employer's Contribution to EDLI | 0.08 | 0.03 |
| Employer's Contribution to Superannuation Fund | 1.74 | 1.63 |

During the previous year, the Company had a limited number of employees and the gratuity obligation was recognized based on management's estimate. Accordingly, actuarial valuation and related disclosures required under Ind AS 19 were not obtained for the previous year. During the current year, the Company obtained an actuarial valuation and has presented the disclosures based on such valuation.

B. Defined benefit plans

1. Compensated Leave

The leave obligations cover the Company's liability for earned leave and sick leave.
The compensated absences charged in the Statement of Profit and Loss for the year ended March 31, 2026 is Rs. 1.24 lakhs (previous year Rs. NIL).

2. Gratuity

The Company provides for gratuity for employees as per Company's Scheme/s. Employees who are in continuous service for a period of five year are eligible for gratuity. The amount of gratuity payable on retirement/termination is based on the employees last drawn basic salary, special allowance and dearness allowance per month and as per the Schemes applicable to those employees from time to time.

(Rs. in Lakhs)

| Particulars | For the Year Ended 31st March, 2026 | For the Year Ended 31st March, 2025 |
|---|---|---|
| Provision for gratuity | 609.52 | 1.02 |

A. Reconciliation of opening and closing balances of Defined Benefit Obligation

(Rs. in Lakhs)

| Particulars | Gratuity (Funded) | |
|---|---|---|
| | As at 31st March, 2026 | As at 31st March, 2025 |
| Present value of obligation at the beginning of the year | 1.02 | NA/ND |
| Current Service Cost | 1.76 | |
| Interest Cost | 0.07 | |
| experience variance (i.e. Actual experiencevs assumptions) | 25.92 | |
| Benefits Paid* | 0.00 | |
| Liability Transferred In / (Out) (Net) | 580.75 | |
| **Defined Benefit Obligation at end of the year** | 609.52 | |

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MUKAND HEAVY ENGINEERING LIMITED MUMBAI *

B. Actuarial assumptions

| Mortality Table (IALM) | Gratuity | |
|---|---|---|
| | 31st March, 2026 | 31st March, 2025 |
| | (Ultimate) | (Ultimate) |
| Discount Rate (per annum) | 7.15% | |
| Rate of escalation in Salary (per annum) | 4.50% | |

C. Expenses recognised during the year

(Rs. in Lakhs)

| Particulars | Gratuity | |
|---|---|---|
| | As at 31st March, 2026 | As at 31st March, 2025 |
| In Statement of Profit and Loss | 27.75 | NA/ND |
| In other Comprehensie Income | 0.00 | |
| | 27.75 | |

D. Reconciliation of fair value of Assets and Obligations

(₹ in lakhs)

| Particulars | Gratuity | |
|---|---|---|
| | As at 31st March, 2026 | As at 31st March, 2025 |
| Present value of Obligation | 609.52 | 1.02 |
| Fair value of Plan Assets | - | - |
| Amount recognised in Balance Sheet [Surplus/(Deficit) | 609.52 | 1.02 |

Sensitivity Analysis

The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period,while holding all other assumptions constant.The results of sensitivity analysis is given below:

(₹ in Lakhs)/Change in %

| Particulars | Decrease | Increase |
|---|---|---|
| Discount rate -/+1% | Not Available | Not Available |
| (% change compared to base due to sensitivity) | Not Available | Not Available |
| Salary growth rate -/+1% | Not Available | Not Available |
| (% change compared to base due to sensitivity) | Not Available | Not Available |
| Attriation rate -/+50% | Not Available | Not Available |
| (% change compared to base due to sensitivity) | Not Available | Not Available |
| Moratity Rate -/+10% | Not Available | Not Available |
| | Not Available | Not Available |

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Note 34: Reconciliation of liabilities arising from Financing Activities

(Rs. in Lakhs)

| Particulars | Opening Balance | Cash Movement | Total |
|---|---|---|---|
| 31 March 2026 | | | |
| Inter Corporate Deposits | 12,601.92 | 12,213.08 | 24,815.00 |
| Total | 12,601.92 | 12,213.08 | 24,815.00 |

(Rs. in Lakhs)

| Particulars | Opening Balance | Cash Movement | Total |
|---|---|---|---|
| 31 March 2025 | | | |
| Inter Corporate Deposits | 30.00 | 12,571.92 | 12,601.92 |
| Total | 30.00 | 12,571.92 | 12,601.92 |

These cash movements are included in the cash flow statement: receipts from borrowing, repayment of borrowing.

Mukand Heavy Engineering Limited
Notes forming part of Financial Statements for the year ended March 31, 2026

Note 35: Fair Value Measurements

A. Accounting classification and fair values
The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

(Rs. in Lakhs)

| As at 31st March, 2026 | Carrying value | | | | Fair Value | | | |
|---|---|---|---|---|---|---|---|---|
| | FVTPL | FVTOCI | Amortized Cost | Total | Level 1 | Level 2 | Level 3 | Total |
| Financial Assets-Non Current | | | | | | | | |
| Others | - | - | 28.96 | 28.96 | - | - | - | - |
| | | | | | | | | |
| Financial Assets-Current | | | | - | | | | |
| Trade receivable | - | - | 5,321.73 | 5,321.73 | - | - | - | - |
| Cash and Cash equivalents | - | - | 5.65 | 5.65 | - | - | - | - |
| Others | - | - | 50.00 | 50.00 | - | - | - | - |
| Total | - | - | 5,406.34 | 5,406.34 | - | - | - | - |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Financial Liabilities-Non Current | | | | - | | | | |
| Borrowings | - | - | 24,815.00 | 24,815.00 | - | - | - | - |
| Other Financial Liabilities - Retention Money | - | - | 1,258.11 | 1,258.11 | - | - | - | - |
| | | | | | | | | |
| Financial Liabilities-Current | | | | | | | | |
| Trade Payables | - | - | 1,933.91 | 1,933.91 | - | - | - | - |
| Other Financial Liabilities | - | - | 1,232.88 | 1,232.88 | - | - | - | - |
| Total | - | - | 29,239.90 | 29,239.90 | - | - | - | - |

(Rs. in Lakhs)

| As at 31st March, 2025 | Carrying value | | | | Fair Value | | | |
|---|---|---|---|---|---|---|---|---|
| | FVTPL | FVTOCI | Amortized Cost | Total | Level 1 | Level 2 | Level 3 | Total |
| Financial Assets-Non Current | | | | | | | | |
| Others | - | - | 29.21 | 29.21 | - | - | - | - |
| | | | | | | | | |
| Financial Assets-Current | | | | - | | | | |
| Trade receivable | - | - | 59.95 | 59.95 | - | - | - | - |
| Cash and Cash equivalents | - | - | 11.11 | 11.11 | - | - | - | - |
| Others | - | - | 50.00 | 50.00 | - | - | - | - |
| Total | - | - | 150.27 | 150.27 | - | - | - | - |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Financial Liabilities-Non Current | | | | - | | | | |
| Borrowings | - | - | 12,601.92 | 12,601.92 | - | - | - | - |
| Other Financial Liabilities - Retention Money | - | - | 784.52 | 784.52 | - | - | - | - |
| | | | | | | | | |
| Financial Liabilities-Current | | | | | | | | |
| Trade Payables | - | - | 61.45 | 61.45 | - | - | - | - |
| Other Financial Liabilities | - | - | 1,905.45 | 1,905.45 | - | - | - | - |
| Total | - | - | 15,353.34 | 15,353.34 | - | - | - | - |

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

The following methods and assumptions were used to estimate the fair values:
1. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short term maturities of these instruments.

2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables.

3. The fair values of the Company's interest-bearing borrowings and loans are determined by using Discounted cash flow method using discount rate that reflects the borrowing rate as at the end of the reporting period. The own non-performance risk as at 31 March 2026 and March 31 2025 was assessed to be insignificant.

C. Fair Value Hierarchy
The fair value of financial instruments as referred to above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities. The fair value of equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. Level 3 is the case for unlisted equity securities and/or shares which are thinly traded.

DHC & CO. Chartered Accountants

Mukand Heavy Engineering Limited Mumbai

Mukand Heavy Engineering Limited
Notes forming part of Financial Statements for the year ended March 31, 2026

Note 36: Financial Ratios

| Sr. No. | Ratio | Numerator | Denominator | For year ended March 31, 2026 | For year ended March 31, 2025 | % Change in Ratio | Remarks |
|---|---|---|---|---|---|---|---|
| 1 | Current Ratio (in times) | Total Current Assets | Total Current Liabilities | 2.00 | 0.86 | 132.55% | Increase is on account of increase in the Trade Receivables, Inventories and Unbilled Revenue |
| 2 | Debt-Equity Ratio (in times) | Debt consists of borrowings | Total Equity | 9.91 | -32.06 | -130.92% | Increase is on account of increase in the ICD amount |
| 3 | Debt Service Coverage Ratio (in times) | Earnings for Debt Service = Net Profit after taxes + Non Cash Operating Expenses + Interest + Other Non Cash Adjustments | Debt Service = Interest and lease payments + Principal Repayments | -0.01 | -0.03 | -67.53% | Decrease is on account of increase in the ICD amount & Interest payable on ICD |
| 4 | Return on Equity Ratio (in %) | Profit for the year less preference dividend (if any) | Average Total Equity | -14385.11% | -3765.28% | 282.05% | Decrease is on account of increase in the loss during the year |
| 5 | Inventory Turnover Ratio (in times) | Cost of Goods Sold | Average Inventory | 0.68 | 1,105.86 | -99.94% | Decrease is on account of increase in the Inventories |
| 6 | Trade Receivables Turnover Ratio (in times) | Revenue from Operations | Average Trade Receivables | 0.22 | 4.32 | -94.99% | Decrease is on account of increase in the Average Trade Receivables |
| 7 | Trade Payables Turnover Ratio (in times) | Net Credit Purchases | Average Trade Payables | 0.26 | 3.96 | -93.47% | Decrease is on account of increase in the Average Trade Payables |
| 8 | Net Capital Turnover Ratio (in times) | Revenue from Operations | Average Working Capital i.e. Total Current Assets less Total Current Liabilities | 0.22 | -1.29 | -116.76% | Increase is on account of increase in the Average Working Capital |
| 9 | Net Profit Ratio (in %) | Profit for the year | Revenue from Operations | -279.60% | -205.60% | 36.00% | Decrease is on account of increase in the loss during the year |
| 10 | Return on Capital Employed (in %) | Profit before tax and finance cost | Capital Employed = Tangible Net worth + Total Debt + Deferred Tax Liabilities | -3.55% | -2.77% | 27.87% | Decrease is on account of increase in the loss and loan / ICD amount |

DHC & CO. ★ Chartered Accountants ★

MUKAND HEAVY ENGINEERING LIMITED ★ MUMBAI

**Note 37 : Additional Disclosures**

i) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

ii) The Company does not have any subsidiary and hence the provisions of Section 2(87) of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017 are not applicable to the Company.

iii) The company was newly established in FY 2023-24, and incurred losses since then. Accordingly, the provisions of Section 135 of the Companies Act, 2013 is not applicable to the Company.

iv) During the financial year 2025-26, the company did not engage in any transactions with companies that have been struck off under the provisions of Section 248 Companies Act, 2013.

v) No Loans or Advances in the nature of loans are granted to promoters, Directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person.

vi) 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 or entity, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

vii) The Company have no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

There are no Benami Property held under Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder. Further no proceedings have been initiated by the company or against the Company.

viii) the Company does not have any borrowings from banks or financial institutions on the basis of security of current assets

**Note 38 - Segment Reporting**

The company has identified its operating segments based on the nature of its products and other quantitative criteria in accordance with Ind AS 108. Based on the evaluation, the company has concluded that it has only one reportable business segment, no further segment reporting is required.

During the year ended 31-03-2026 at company level made sale to 1 (One) customer in Job work sale of Rs. 397.03 Lakhs & 1 (One) customer in Engineering Contracts sale of Rs. 184.70 Lakhs (PY Rs. 183.14 Lakhs) resulting in more than 10% of the total company revenue.

**Note 39 - Acquisition of Industrial Machinery Business**

The Company has acquired Industrial Machinery Business of Mukand Limited (holding company) as a going concern on March 31, 2026 by way of Slump Sale. This Business is engaged in designing, manufacturing, erecting and commissioning of EOT Cranes and other materials handling equipment, process plant equipment.

In consideration of the said acquisition, the company has issued its own 26,347 Equity shares of Rs. 10/- each at a premium of Rs. 17,365 per share aggregating to Rs. 4,577.89 Lakhs. An independent external registered valuer was engaged by the Management to perform the valuation of Equity Shares.

The summary of this transaction is as below -

| Particulars | Amount (in Rs. Lakhs) |
|---|---|
| CWIP – Plant & Machinery | 937.51 |
| Raw Material | 213.39 |
| Stores & Spares | 1,358.86 |
| Work-in-Progress | 99.37 |
| Trade Receivables | 4,913.36 |
| Advance to Suppliers | 61.87 |
| Unbilled Revenue | 1,578.35 |
| Aggregate value of Assets acquired | 9,162.70 |
| | |
| Provision for Gratuity | (580.74) |
| Provision for Leave Encashment – PL | (241.77) |
| Provision for Leave Encashment – SL | (8.28) |
| Sundry Creditors | (1,455.40) |
| Advances from Customers | (2,351.80) |
| Aggregate value of Liabilities assumed | (4,638.00) |
| | |
| **Net Assets acquired from Mukand Limited...(A)** | **4,524.70** |
| | |
| Face value of 26,347 Equity shares issued | 2.63 |
| Premium charged on issue of Equity Shares | 4,575.26 |
| **Total Value of Equity Shares issued....(B)** | **4,577.89** |
| | |
| **Capital Reserve (A - B)** | **(53.19)** |

The assets and liabilities of the acquired business are recorded at their existing carrying amounts.

**Note 40**

Previous year's figures has been regrouped / reclassified, wherever necessary.

No events have occurred between the end of the reporting period and the date when the financial statements are authorised for issue.

For DHC & CO.
Chartered Accountants
ICAI FR No. 103525W

DHC & CO. Chartered Accountants

Pradhan Dass
Partner
Membership No: 219962
Bengaluru
Date : May 13, 2026

For and on behalf of the Board of Directors of
Mukand Heavy Engineering Limited

Dhanesh Goradia
Director
DIN : 10883753
Mumbai
Date : May 13, 2026

Rajendra Sawant
Director
DIN : 09756916
Mumbai
Date : May 13, 2026

MUKAND HEAVY ENGINEERING LIMITED MUMBAI