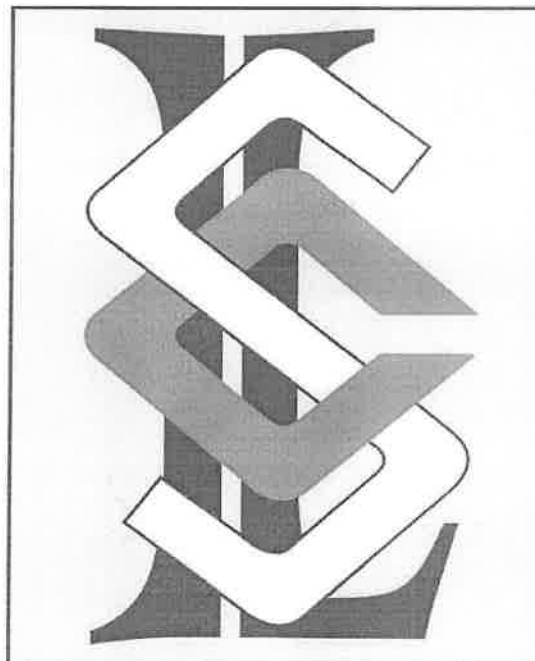


SYSTEMS AND COMPONENTS (INDIA) PVT LTD



INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS

**To the Members of
Systems and Components (India) Private Limited
Report on the Audit of the Financial Statements**

Opinion

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

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

Basis for Opinion

We conducted our audit of financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the "*Auditor's Responsibilities for the Audit of the financial statements*" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Information Other than the financial statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including annexures thereto, Corporate Governance Report, Management Discussion and Analysis and Business Responsibility 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 during the course of our 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 Management and Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an 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.

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 controls 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. A statement on the matters specified in paragraphs 3 and 4 of the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in paragraph h (vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
 - c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid financial statements comply with Indian Accounting Standards specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended.
 - e) On the basis of the written representations received from the directors for the year ended March 31, 2026 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) The modifications relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph (b) above on reporting under Section 143(3)(b) of the Act and paragraph (h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
 - g) A separate report as required under clause (i) of sub-section (3) of Section 143 of the Companies Act 2013, on adequacy of internal financial control over financial

reporting of the Company and the operating effectiveness, is not enclosed herewith as the Company complies exemption criteria specified in notification No. F. No.1/1/2014-CL-V as amended by notification dated 25th July 2017 read along with notification No. G.S.R. 583(E) dated 13th June, 2017 issued by the Ministry of Corporate Affairs.

- 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 47 to the financial statements)
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. With respect to clause (e) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended:
 - a. The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - b. The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
 - c. Based on such audit procedures as 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 (a) and (b) contain any material misstatement.

- v. The Company has not declared and paid dividend during the financial year 2025-25 (Refer Note 46 to the financial statements)
 - vi. Based on our examination, the Company has used accounting software that has the feature of recording an audit trail (edit log) and that the same has been enabled and operational throughout the year for all relevant transactions recorded in the books of account. However, we note that in certain instances, user-level identification of changes could not be distinctly established, as the system was accessed using a common login by multiple users. Furthermore, we did not observe any instance of the audit trail feature being tampered with during the course of our audit. Also, the Company has preserved the audit trail as required under the rule.
3. With respect to the other matters to be included in the Auditor's Report In accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 read with Schedule V to the extent applicable.

The remuneration paid to certain directors is in excess of the limits prescribed under Section 197 of the Act; however, the same is in compliance with the provisions of Schedule V to the Act and has been duly approved by the shareholders by way of a special resolution.

The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For Kirtane & Pandit LLP

Chartered Accountants

Firm Registration No.105215W/W100057

Sd/-

Anand Jog

Partner

Membership No.: 108177

UDIN:

Pune, April 14, 2026

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

The annexure referred to in paragraph 1 in Report on Other Legal and Regulatory Requirements of the Independent Auditors' Report to the members of Systems and Components (India) Private Limited on the Financial Statements for the year ended March 31, 2026

We report that:

- (i) In respect of the Company's fixed assets (Property, plant and equipment) :
 - (a) (A) The Company is maintaining proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment.
 - (B) The Company is maintaining proper records showing full particulars of Intangible Assets.
 - (b) The Company has a program of physical verification of property, plant and equipment wherein all items of property, plant and equipment are verified once in every 3 years period, which is reasonable with regard to the size of the Company and nature of its assets. Accordingly, such verification was carried out in previous year ended March 31, 2025 in line with the fixed asset verification policy. The discrepancies noticed during such verification were not material.
 - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of all immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee), as disclosed in Note 3 to the financial statements are held in the name of the Company.
 - (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (PPE) (including Right of Use assets) & intangible assets during the year. Accordingly, Clause 3(i) (d) of the Order regarding Revaluation of PPE and intangible assets is not applicable.
 - (e) According to the information, explanations given and represented to us by the management of the Company, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii) (a) According to the information and explanation given to us and records examined by us, the physical verification of inventory has been conducted by the management at reasonable intervals, and the coverage and procedure of such verification by the management is appropriate. Inventory lying with third parties at the year-end has been confirmed by respective parties. Discrepancies of 10% or more in the aggregate for each class of inventory were not noticed by the management on such verification.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the quarterly returns/ statements filed by the Company with such banks are in agreement with the books of account of the Company.

(iii)

(a) According to the information, explanations given and represented to us by the management of the Company, during the year, the Company has not provided advances in the nature of loans, stood guarantee or provided security to Companies, Firms, Limited Liability Partnerships or any other parties.

(b) According to the information, explanations given and represented to us by the management of the Company, during the year the Company has not made investments, provided guarantees and provided security to companies, firms and Limited Liability Partnerships. Accordingly, the requirement to report on clause 3(iii)(b) of the Order is not applicable to the Company.

(c) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loan to Companies, Firms, Limited Liability Partnerships or other parties. Accordingly, the reporting requirement of clause (iii) (c) of paragraph 3 of the Order is not applicable to the Company.

(d) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the company has not granted any loans or advances in the nature of loan to Companies, Firms, Limited Liability Partnerships or other parties. Accordingly, the reporting under clause 3(iii)(d) of the Order is not applicable to the Company.

(e) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loan to Companies, Firms, Limited Liability Partnerships or other parties. Accordingly, the reporting under clause 3(iii)(e) of the Order is not applicable to the Company.

(f) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loan to Companies, Firms, Limited Liability Partnerships or other parties. Accordingly, the reporting under clause 3(iii)(f) of the Order is not applicable to the Company.

(iv) In our opinion and according to the information and explanations given to us, the Company has neither given loans or guarantees or provided securities nor made any

investment which are covered by the provisions of Section 185 and 186 of the Act. Accordingly, reporting under paragraph 3(iv) of the Order is not applicable.

- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits from the public, hence the directives issued by the Reserve Bank of India and provisions of Section 73 to 76 or any other relevant provisions of the Act and the rules framed there under, are not applicable.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of section 148 of the Act, for any of the products and services rendered by the company. Accordingly, reporting under paragraph 3(vi) of the Order is not applicable.
- (vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective July 1, 2017, these statutory dues have been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees State Insurance, Income Tax, and any other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of statutory dues were in arrears as at March 31, 2026 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, no disputed amounts payable in respect of statutory dues were in arrears as at March 31, 2026.
- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly reporting requirement of clause (viii) of paragraph 3 of the order is not applicable to the company.
- (ix) Based on representation given by the management of the Company and according to the information and explanations given to us-
 - (a) The Company has not defaulted in repayment of any loans or interest thereon to any lender during the year. Accordingly, provisions of Para 3(ix)(a) to such extent are not applicable to the Company.

- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
 - (c) The Company has not obtained any new term loans during the year. Accordingly reporting under paragraph 3(ix)(c) is not applicable.
 - (d) On an overall examination of the financial statements of the Company, we report that the Company has not used funds raised on short term basis for long term purposes.
 - (e) The Company does not have any subsidiary, associates & joint venture during the year. Accordingly reporting under paragraph 3(ix)(e) is not applicable.
 - (f) The Company does not have any subsidiary, associates & joint venture during the year. Accordingly reporting under paragraph 3(ix)(f) is not applicable.
- (x) In our opinion and according to the information and explanations given to us:
- (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, reporting under paragraph 3(x)(a) of the Order is not applicable.
 - (b) The Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures during the year and hence reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) Based upon the audit procedures performed for the purpose of reporting upon the true and fair view of the standalone financial statements, to the best of our knowledge and according to the information and explanations given to us:
- (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 material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.
 - (b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, a report under Section 143(12) of the Act in Form ADT-4, as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting requirement of clause (xi)(b) of paragraph 3 of the Order is not applicable to the Company.

- (c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, reporting on whistle-blower complaints is not applicable to the Company, as the provisions relating to establishment of a vigil mechanism are not applicable.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, reporting under paragraph 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.
- (xiv) In our opinion and according to the information and explanations given to us, the company does not have an internal audit system and is not required to have an internal audit system as per provisions of the Companies Act 2013. Accordingly reporting under paragraph 3(xiv) of the Order is not applicable.
- (xv) In our opinion and according to the information and explanations given to us, during the year, the Company has not entered into any non-cash transactions with its directors or persons connected with them. Accordingly, reporting under paragraph 3(xv) of the Order is not applicable.
- (xvi) In our opinion and according to the information and explanations given to us,
 - (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.
 - (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities during the year.
 - (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, reporting under paragraph 3(xvi)(c) is not applicable.
 - (d) There is no core investment company as part of Group, hence reporting under paragraph 3(xvi) is not applicable to the company.
- (xvii) The Company has incurred cash losses of Rs. 33.94 million during the financial year ended on March 31, 2026, and Rs. 36.13 million in the immediately preceding financial year.

- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under Paragraph 3(xviii) of the Order is not applicable.
- (xix) In our opinion and according to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statement, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) In our opinion and according to the information and explanations given to us, Company is not covered by Provisions of section 135 of the Companies Act 2013. Accordingly reporting under paragraph 3(xx) of the Order is not applicable.
- (xxi) In our opinion and according to the information and explanations given to us, the Company does not have any subsidiaries, associates and joint ventures during the year. Hence, the Company is not required to prepare Consolidated Financial Statements. Accordingly reporting under paragraph 3(xxi) of the Order is not applicable.

For Kirtane & Pandit LLP

Chartered Accountants

Firm Registration No.105215W/W100057

Sd/-

Anand Jog

Partner

Membership No.: 108177

UDIN:

Pune, April 14, 2026

SYSTEMS AND COMPONENTS (INDIA) PVT LTD
(CIN : U74210MH1989PTC054107)
BALANCE SHEET AS AT MARCH 31, 2026
(All amounts in ₹ Millions, unless otherwise stated)

Particulars	Note No.	As at March 31, 2026	As at March 31, 2025
ASSETS			
I. Non-current assets			
(a) Property, plant and equipment	3	71.18	79.31
(b) Financial assets			
Other financial assets (Non current)	4	1.54	21.98
Total non-current assets		72.72	101.29
II. Current assets			
(a) Inventories	5	73.32	161.35
(b) Financial assets			
i) Trade receivables	6	25.80	45.23
ii) Cash and cash equivalents	7	0.12	0.21
iii) Other Financial Assets (Current)	8	0.12	2.59
(c) Current tax assets (net)	9	0.45	0.59
(d) Other current assets	10	5.00	15.01
Total current assets		104.81	224.98
Total Assets		177.53	326.27
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	11	15.00	15.00
(b) Other equity	12	57.32	99.72
Total equity		72.32	114.72
Liabilities			
I. Non-current liabilities			
(a) Financial liabilities			
i) Borrowings (Non-current)	13	-	0.98
ii) Lease Liabilities (Non-current)	14	1.66	2.71
(b) Deferred tax liabilities (net)	15	-	2.18
(c) Provisions (Non-current)	16	0.94	1.81
Total non-current liabilities		2.60	7.68
II. Current liabilities			
(a) Financial liabilities			
i) Borrowings (Current)	17	28.27	96.29
ii) Trade Payables	18		
a) Total outstanding dues of micro enterprises and small enterprises		18.24	14.48
b) Total outstanding dues of creditors other than micro enterprises and small enterprises		30.18	60.40
iii) Lease liabilities (Current)	19	1.05	0.87
iv) Other financial liabilities (Current)	20	5.20	6.57
(b) Provisions (Current)	21	5.21	4.12
(c) Current tax liability (net)	9		
(d) Other current liabilities	22	14.46	21.15
Total current liabilities		102.61	203.88
Total Equity and Liabilities		177.53	326.28

Corporate information and material accounting policies - 1 & 2
The accompanying notes are an integral part of the financial statements.

As per our attached report of even date

For and on behalf of the board of directors

For Kirtane & Pandit LLP
Chartered Accountants
FRN No.: 105215W/W100057

Sd/-
Deepak Lokras
Chairman
DIN: 11600483
Date: April 14, 2026
Place: Pune

Sd/-
Sanjay Deshpande
Executive Director
DIN: 00807458
Date: April 14, 2026
Place: Pune

Sd/-
Anand Jog
Partner
Membership No.: 108177
Date: April 14, 2026
Place: Pune

Sd/-
Aniket Deshpande
Company Secretary
M.No: A23094
Date: April 14, 2026
Place: Pune

SYSTEMS AND COMPONENTS INDIA PVT LTD
(CIN : U74210MH1989PTC054107)
Statement of Profit and Loss For The Year Ended March 31, 2026
(All amounts in ₹ Millions, unless otherwise stated)

Particulars	Note No.	For The Year Ended March 31, 2026	For The Year Ended March 31, 2025
Income			
Revenue from operations	23	282.58	222.39
Other income	24	6.47	1.75
Total Income		289.05	224.14
Expenses			
Cost of materials consumed	25	140.25	186.92
Purchases of Stock in trade	26	4.10	8.45
Changes in inventories of work-in-progress and traded goods	27	79.55	(50.41)
Employee benefits expense	28	50.84	53.62
Finance costs	29	8.78	13.83
Depreciation and amortisation expense	30	8.16	10.93
Other expenses	31	41.69	50.59
Total Expenses		333.37	273.93
Profit before exceptional items and tax		(44.32)	(49.79)
Exceptional items - (Expenses)/Income	58	(0.63)	-
Profit before tax		(44.95)	(49.79)
Tax expense		(2.28)	(2.99)
Current tax			
MAT credit entitlement			
(Excess)/short provision related to earlier years			
Deferred tax		(2.28)	(2.99)
Profit for the year		(42.67)	(46.80)
Other Comprehensive Income		0.27	(0.25)
A. Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
A.1. Re-measurement gains/(losses) on defined benefit plans		0.37	(0.34)
Income tax effect on above		(0.10)	0.09
Total comprehensive income for the year, net of tax		(42.40)	(47.06)

Earnings per equity share [nominal value per share ₹ 10/-]

Basic	48	(28.45)	(31.20)
Diluted	48	(28.45)	(31.20)

Corporate information and material accounting policies - 1 & 2
The accompanying notes are an integral part of the financial statements.

As per our attached report of even date

For Kirtane & Pandit LLP
Chartered Accountants
FRN No.: 105215W/W100057

Sd/-
Anand Jog
Partner
Membership No.: 108177
Date : April 14, 2026
Place : Pune

For and on behalf of the board of directors

Sd/-
Deepak Lokras
Chairman
DIN: 11600483
Date : April 14, 2026
Place : Pune

Sd/-
Aniket Deshpande
Company Secretary
M.No : A23094
Date : April 14, 2026
Place : Pune

Sd/-
Sanjay Deshpande
Executive Director
DIN: 00807458
Date : April 14, 2026
Place : Pune

SYSTEMS AND COMPONENTS INDIA PVT LTD

(CIN : U74210MH1989PTC054107)

Statement of Cash Flow For The Year Ended March 31, 2026

(All amounts in ₹ Millions, unless otherwise stated)

Particulars	For the Year Ended March 31, 2026	For the Year Ended March 31, 2025
A. Cash flow from operating activities		
Profit before Tax	(44.95)	(49.79)
Adjustments for:		
Depreciation and amortisation	8.16	10.93
(Profit)/ Loss on disposal of assets	0.00	3.80
Provision for doubtful debts and advances (net)	1.72	0.47
Interest on loan	7.33	13.24
Interest on Lease Liability	1.25	0.52
Other Borrowing Cost	0.20	0.07
Gain of derecognition of lease	-	(0.08)
Provisions no longer required written back	(0.21)	(0.26)
Interest income	(6.13)	(1.25)
Interest Income on security deposit	(0.06)	(0.03)
Operating profit before working capital changes	(32.69)	(22.39)
Working capital adjustments:		
(Increase)/Decrease in trade and other receivables	17.71	139.56
(Increase)/Decrease in inventories	88.06	(52.25)
(Increase)/Decrease in Other Financial Assets - Current	2.47	(0.96)
(Increase)/Decrease in Other Financial Assets - Non Current	(0.21)	0.99
(Increase)/Decrease in Other Current Assets - Current	10.02	(6.67)
(Increase)/Decrease in Other Current Assets - Non Current	-	0.36
(Decrease)/ Increase in trade and other payables	(26.47)	(27.54)
(Decrease)/ Increase Other Financial Liabilities	(1.37)	0.12
(Decrease)/ Increase Other Current Liabilities	(6.48)	(3.80)
(Decrease)/ Increase in provisions	0.59	1.10
Cash generated from operations	51.63	28.52
Income taxes paid (net of refunds)	0.14	(0.04)
Net cash generated from operations	51.77	28.48
B. Cash flow from investing activities		
(Acquisition)/ Sale of property, plant & equipment and intangible assets	(0.03)	(2.49)
Sale of investments	-	32.98
Withdrawal of Margin Money Deposits	20.66	-
Interest received	6.16	1.06
Net cash used in investing activities	26.79	31.55
C. Cash flow from financing activities		
Interest paid (finance cost)	(7.53)	(13.31)
Proceed/ (Repayment) of borrowings	(69.00)	(45.64)
Repayment of lease liability	(2.12)	(1.13)
Dividend / Interim Dividend paid (including tax thereon)	-	-
Net cash generated from financing activities	(78.65)	(60.08)
Net increase/ (decrease) in cash and cash equivalents (A + B + C)	(0.09)	(0.04)
Opening cash and cash equivalents (Refer Note 7)	0.21	0.25
Add: Effect of exchange rate changes on cash and cash equivalents		
Closing cash and cash equivalents (Refer Note 7)	0.12	0.21

SYSTEMS AND COMPONENTS INDIA PVT LTD
(CIN : U74210MH1989PTC054107)
Statement of Cash Flow For The Year Ended March 31, 2026
(All amounts in ₹ Millions, unless otherwise stated)

Notes:

specified in the Companies (Indian Accounting Standards) Rules, 2015.

2. Acquisition / Sale of fixed assets represents additions / deletion to property, plant and equipment and other intangible assets adjusted for movement of capital work in progress for property, plant and equipment and intangible asset under development

3. Cash and cash equivalents included in the Statement of Cash Flows comprise the following:

Particulars	For the Year Ended March 31, 2026	For the Year Ended March 31, 2025
Balance with Bank	0.07	0.07
Cash on hand	0.05	0.14
Total	0.12	0.21

Change in financial liability arising from financing activities	Current Borrowings	Non Current Borrowings
Balance as at March 31, 2025	96.29	0.98
Changes from financing cash flows	(68.02)	(0.98)
Non-cash changes	-	-
Other changes	-	-
Balance as at March 31, 2026	28.27	-

Corporate information and material accounting policies - Note 1 & 2

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

As per our attached report of even date

For and on behalf of the board of directors

For Kirtane & Pandit LLP
Chartered Accountants
FRN No.: 105215W/W100057

Sd/-

Deepak Lokras
Chairman

DIN: 11600483

Date : April 14, 2026

Place : Pune

Sd/-

Sanjay Deshpande
Executive Director

DIN: 00807458

Date : April 14, 2026

Place : Pune

Sd/-

Anand Jog
Partner

Membership No.: 108177

Date : April 14, 2026

Place : Pune

Sd/-

Aniket Deshpande
Company Secretary

M.No : A23094

Date : April 14, 2026

Place : Pune

SYSTEMS AND COMPONENTS INDIA PVT LTD

(CIN : U74210MH1989PTC054107)

Statement of Changes in Equity

(All amounts in ₹ Millions, unless otherwise stated)

A. Equity Share Capital (Refer note 11)

Equity Shares of ₹ 10 each issued, subscribed and fully paid	No. of Shares	Amount
As at April 1, 2024	15,00,000	15
Issue/(Reduction) during the year	-	-
As at March 31, 2025	15,00,000	15
Issue/(Reduction) during the year	-	-
As at March 31, 2026	15,00,000	15

B. Other Equity (Refer note 12)

Particulars	Reserves and Surplus	Total Other Equity
	Retained Earnings	
As at April 1, 2024	146.77	146.77
Profit/(Loss) for the year	(46.80)	(46.80)
Other comprehensive income for the year	(0.25)	(0.25)
Total Comprehensive income for the year	(47.05)	(47.05)
As at March 31, 2025	99.72	99.72
As at April 1, 2025	99.72	99.72
Profit/(Loss) for the period	(42.67)	(42.67)
Other comprehensive income for the period	0.27	0.27
Total Comprehensive income for the period	(42.40)	(42.40)
As at March 31, 2026	57.32	57.32

Corporate information and material accounting policies - 1 & 2

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

As per our attached report of even date

For and on behalf of the board of directors

For Kirtane & Pandit LLP
Chartered Accountants
FRN No.: 105215W/W100057

Sd/-
Deepak Lokras
Chairman
DIN: 11600483
Date : April 14, 2026
Place : Pune

Sd/-
Sanjay Deshpande
Executive Director
DIN: 00807458
Date : April 14, 2026
Place : Pune

Sd/-
Anand Jog
Partner
Membership No.: 108177
Date : April 14, 2026
Place : Pune

Sd/-
Aniket Deshpande
Company Secretary
M.No : A23094
Date : April 14, 2026
Place : Pune

SYSTEMS AND COMPONENTS (INDIA) PVT LTD
(CIN: U74210MH1989PTC054107)
Notes to the financial statements
(All amounts in ₹ Millions, unless otherwise stated)

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR
ENDED 31st MARCH 2025**

Background and material accounting policies

Note 1: Corporate Information

The Company is a private limited company domiciled in India and is incorporated under the provisions of the Companies Act 1956. The registered office of the Company is located at E-301, Eastern Business District, L.B.S. Marg, Bhandup (West), Mumbai, Mumbai, Mumbai, Maharashtra, India, 400078.

The Company is engaged in the business of Refrigeration, primarily serving sectors of Chemical, Agrochemical, Food & Dairy, Oil & Gas, etc.

Note 2: Basis of preparation of Financial Statements

The Company's financial statements have been prepared in accordance with the provisions of the Companies Act, 2013 and the Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and amendments thereof issued by the Ministry of Corporate Affairs in exercise of the powers conferred by section 133 of the Companies Act, 2013. In addition, the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied except where compliance with other statutory promulgations require a different treatment.

The Company has adopted IND AS from FY 2024-25 pursuant to its acquisition (dated 04-December-2024) by Kirloskar Pneumatic Company Limited which is a listed company applying IND AS.

The financial statements have been prepared on historical cost basis, except for certain financial instruments which are either stated at amortised cost or measured at fair value through profit and loss (FVTPL) or fair value through other comprehensive income (FVTOCI).

Also, plan assets in a defined benefit plans are measured at fair value.

1. Significant account judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities in future periods.

SYSTEMS AND COMPONENTS (INDIA) PVT LTD
(CIN: U74210MH1989PTC054107)
Notes to the financial statements
(All amounts in ₹ Millions, unless otherwise stated)
1.1 Judgements

In the process of applying the Company's accounting policies, the management has made the following judgements, which have the most significant effects on the amounts recognised in the financial statements:

Operating lease where company is a lessor

The Company, for its leases, has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the asset under a lease and the fair value of the asset, that it retains all the significant risks and rewards of ownership of these assets and accounts for the contracts as operating leases.

Lease Term where company is a lessee

The company has applied provisions of Ind AS 116 effective 1st April, 2019. The said standard provides for certain recognition exemptions for short term leases as well as provides for certain criteria when the lease contracts are non-enforceable. The determination of lease term for the purpose of availing such exemptions and evaluation of such criteria for non-enforceability of a contract involves significant judgment.

Revenue Recognition

The company recognises revenue for each performance obligation either at a point in time or over a time.

In case performance obligation is satisfied over a period of time, either the input method or output method is used based on the type of contract and the performance obligation involved to determine the revenue to be recognised. These methods faithfully depict the company's performance towards complete satisfaction of performance obligation.

Practical expedient of "right to consideration" is also considered in respect of contracts where the satisfaction of performance is measured using the output method while recognizing revenue in the amount to which the entity has right to invoice.

In case performance obligation is satisfied at a point in time, the company generally recognises revenue when the control is transferred. In case of domestic sale of goods, transfer of control is evaluated based on consideration of transfer of risk & reward of ownership, legal title to the goods, acceptance or inspection by the customer, companies right to payment and physical possession and in case of exports on the date of Bill of Lading. In case of services, the revenue is recognized based on completion of distinct performance obligation.

1.2 Estimates and assumptions

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

Defined benefit plans

The cost of the defined benefit plans and other post employment benefits and the present value of the obligations are determined using actuarial valuation. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and expected rate of return on plan assets.

Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, actuary considers the interest rates of government bonds and extrapolates as needed along the yield curve to correspond with the expected term of the defined benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at intervals in response to demographic changes. Future salary increases are based as per the policy of the Company.

Further details about defined benefit obligations are provided in Note 34.

1.3 Functional and presentation currency

These financial statements are presented in Indian Rupees, which is the company's functional and presentation currency. All amounts disclosed in the financial statements and notes have been rounded off to nearest millions as per the requirements of Schedule III, unless otherwise stated.

2. Material Accounting Policies

2.1 Current Vs Non Current Classification

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

An asset is current when it is:

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

All other assets are classified as non – current.

A liability is current when it is:

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

All other liabilities are treated as non – current.

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

2.2 Fair value measurement

The Company measures financial instruments such as Investments etc. at fair value at each Balance Sheet date.

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

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

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

SYSTEMS AND COMPONENTS (INDIA) PVT LTD
(CIN: U74210MH1989PTC054107)
Notes to the financial statements
(All amounts in ₹ Millions, unless otherwise stated)

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

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

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

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

For the purpose of fair value disclosures, the company has determined classes of assets and liabilities based on the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above. The Company's management determines the policies and procedure for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value.

External valuation experts are involved for valuation of significant unquoted financial assets and liabilities.

2.3 Property, Plant and Equipment

- a. Property, plant and equipment; and capital work in progress are stated at cost of acquisition or construction net of accumulated depreciation and/or accumulated impairment losses, if any. Such cost includes the cost of replacing parts of the property, plant and equipment, borrowing costs for long term construction projects if the recognition criteria are met and net initial cost estimate of requirement of restoration of

SYSTEMS AND COMPONENTS (INDIA) PVT LTD**(CIN: U74210MH1989PTC054107)****Notes to the financial statements****(All amounts in ₹ Millions, unless otherwise stated)**

site where the asset is located. When significant parts of property, plant and equipment are required to be replaced at intervals, the Company recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the Property, Plant and Equipment if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the Statement of Profit and Loss as incurred.

- b. Capital work-in-progress comprises of cost of Property, plant and equipment that are not yet installed and ready for their intended use at the Balance Sheet date.
- c. Own manufactured assets are capitalised at cost including an appropriate directly allocable expenses.

Depreciation

With the commencement of the Companies Act, 2013, depreciation is being provided on written down value method according to the useful life prescribed on single shift working basis in Sch II of the Act on the carrying amount of the asset over the remaining useful life of the asset as per the said schedule.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.

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

2.4 Borrowing Cost

Borrowing Costs directly attributable to the acquisition, construction or production of qualifying assets are capitalized till the month in which the asset is ready to use, as part of the cost of the asset. Other borrowing costs are recognized as expenses in the period in which these are incurred.

2.5 Impairment of Assets

The Company assesses at each Balance Sheet date whether there is any indication due to internal or external factors that an asset or a group of assets comprising a Cash Generating Unit (CGU) may be impaired. If any such indication exists, the Company estimates the recoverable amount of the assets. Market related information and estimates such as long term growth rates, weighted average cost of capital and cash flow projections considering past experience are used to determine the

SYSTEMS AND COMPONENTS (INDIA) PVT LTD

(CIN: U74210MH1989PTC054107)

Notes to the financial statements

(All amounts in ₹ Millions, unless otherwise stated)

recoverable amount. If such recoverable amount of the assets or the recoverable amount (economic value in use) of the CGU to which the asset belongs is less than the carrying amount of the assets or the CGU as the case may be, the carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognised in the Profit and Loss account. If at any subsequent Balance Sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at recoverable amount subject to a maximum of depreciated historical cost and is accordingly reversed in the Profit and Loss account.

2.6 Financial Instruments – initial recognition and subsequent measurement

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

a) Financial assets

(i) Initial recognition and measurement of financial assets

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial assets. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss. However, trade receivables that do not contain a significant financing component are measured at transaction price.

(ii) Subsequent measurement of financial assets

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

- Financial assets at amortised cost
- Financial assets at fair value through other comprehensive income (FVTOCI)
- Financial assets at Fair value through profit and loss (FVTPL)
- Financial assets at amortised cost :

A financial asset is measured at amortised cost if:

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

SYSTEMS AND COMPONENTS (INDIA) PVT LTD

(CIN: U74210MH1989PTC054107)

Notes to the financial statements

(All amounts in ₹ Millions, unless otherwise stated)

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

- Financial assets at fair value through other comprehensive income

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

- The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets, until they are derecognised or reclassified, are subsequently measured at fair value with unrealised gains or losses recognised in Other Comprehensive Income except for interest income, impairment gains or losses for foreign exchange gains and losses which are recognised in the Statement of Profit and Loss.

- Financial assets at fair value through profit or loss

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

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

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

(iii) De-recognition of financial assets

A financial asset is derecognised when:

- The contractual rights to the cash flows from the financial asset expire,

Or

SYSTEMS AND COMPONENTS (INDIA) PVT LTD

(CIN: U74210MH1989PTC054107)

Notes to the financial statements

(All amounts in ₹ Millions, unless otherwise stated)

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

(iv) Reclassification of financial assets

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

(v) Impairment of financial assets

The company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the assets carried at amortised cost.

The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

b) Financial Liabilities

(i) Initial recognition and measurement of financial liabilities

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

(ii) Subsequent measurement of financial liabilities

SYSTEMS AND COMPONENTS (INDIA) PVT LTD**(CIN: U74210MH1989PTC054107)****Notes to the financial statements****(All amounts in ₹ Millions, unless otherwise stated)**

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

- Financial liabilities at fair value through profit and loss
- Amortised Cost
- Loans and Borrowings at amortised Cost

After initial recognition, interest-bearing borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in the statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process.

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

(iii) **De-recognition of financial liabilities**

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

When an existing financial liability is replaced by the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

2.7 Derivatives

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

All derivatives are measured at fair value through the Profit and Loss. Derivatives are carried as assets when their fair values are positive and as liabilities when their fair values are negative. Hedging activities are explicitly identified and documented by the Company.

2.8 Foreign Currency Transactions

a. **Initial Recognition**

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

SYSTEMS AND COMPONENTS (INDIA) PVT LTD
(CIN: U74210MH1989PTC054107)
Notes to the financial statements
(All amounts in ₹ Millions, unless otherwise stated)

b. Conversion

Current assets and current liabilities, secured loans, being monetary items, designated in foreign currencies are revalored at the rate prevailing on the date of Balance Sheet.

c. Exchange Differences

Exchange difference arising on the settlement and conversion of foreign currency transactions are recognised as income or as expenses in the year in which they arise, except in cases where they relate to the acquisition of qualifying assets, in which cases they were adjusted in the cost of corresponding asset up to the date of transition to Ind AS. Further, exchange difference on foreign currency loans utilized for acquisition of assets, is adjusted in the cost of the asset up to transition date of Ind AS only.

2.9 Leases

The determination of whether a contract is (or contains) a lease is based on the substance of the contract at the inception of the lease. The contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

- Company as a Lessee

At the commencement date, a lessee shall recognise a right-of-use asset and a lease liability. A lessee shall measure the lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the lessee shall use the lessee's incremental borrowing rate.

The Company uses the practical expedient to apply the requirements of Ind AS 116 to a portfolio of leases with similar characteristics if the effects on the financial statements of applying to the portfolio does not differ materially from applying the requirement to the individual leases within that portfolio. However, when the lessee and the lessor each have the right to terminate the lease without permission from the other party with no more than an insignificant penalty the Company considers that lease to be no longer enforceable. Also according to Ind AS 116, for leases with a lease term of 12 months or less (short-term leases) and for leases for which the underlying asset is of low value, the lessee is not required to recognize right-of-use asset and a lease liability. The Company applies both recognition exemptions.

Right of use asset

Right-of-use assets, which are included under property, plant and equipment, are measured at cost less any accumulated depreciation and, if necessary, any accumulated impairment. The cost of a right-of-use asset comprises the present

SYSTEMS AND COMPONENTS (INDIA) PVT LTD

(CIN: U74210MH1989PTC054107)

Notes to the financial statements

(All amounts in ₹ Millions, unless otherwise stated)

value of the outstanding lease payments plus any lease payments made at or before the commencement date less any lease incentives received, any initial direct costs and an estimate of costs to be incurred in dismantling or removing the underlying asset. In this context, the Company also applies the practical expedient that the payments for non-lease components are generally recognized as lease payments.

If the lease transfers ownership of the underlying asset to the lessee at the end of the lease term or if the cost of the right-of-use asset reflects that the lessee will exercise a purchase option, the right-of-use asset is depreciated to the end of the useful life of the underlying asset. Otherwise, the right-of-use asset is depreciated to the end of the lease term.

Lease liability

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

Lease modification

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

• **Company as Lessor**

A lessor shall classify each of its leases as either an operating lease or a finance lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset.

Amounts due from lessees under finance leases are recorded as receivables at the company's net investment in the leases. Finance lease income is allocated to accounting periods to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

Where the Company is a lessor under an operating lease, the asset is capitalised within property, plant and equipment and depreciated over its useful economic life. However, if there is no reasonable certainty that the company will obtain possession of the asset upon end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

SYSTEMS AND COMPONENTS (INDIA) PVT LTD
(CIN: U74210MH1989PTC054107)
Notes to the financial statements
(All amounts in ₹ Millions, unless otherwise stated)

2.10 Inventories

Cost of inventories have been computed to include all costs of Purchase, Cost of Conversion and other costs incurred in bringing inventories to their present location and condition.

- I. The Stocks of Raw Materials and Components, Stores and Spares and Traded Goods are valued at cost calculated on Weighted Average basis.
- II. The Stocks of Work-in-Progress (including factory-made components) and Finished Goods are valued on the basis of Full Absorption Cost of attributable factory overheads or net realisable value, whichever is lower.
- III. Goods in Transit are stated at actual cost to the date of Balance Sheet.
- IV. Unserviceable and Obsolete Raw Materials are valued at an estimated realisable value.
- V. Imported Materials lying in Bonded Warehouse, are valued at cost to the date of Balance Sheet.

2.11 Taxes

Current income tax

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

Current income tax relating to items recognised in other comprehensive income or directly in equity is recognised in other comprehensive income or in equity, respectively, and not in the statement of profit and loss.

Deferred tax

Deferred tax is provided using the Balance Sheet method on temporary difference between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences except:

- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

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

SYSTEMS AND COMPONENTS (INDIA) PVT LTD

(CIN: U74210MH1989PTC054107)

Notes to the financial statements

(All amounts in ₹ Millions, unless otherwise stated)

available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

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

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside the statement of profit and loss, is recognised outside the statement of profit and loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

2.12 Employee Benefits

a) Short Term Employee Benefits

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

b) Post-Employment Benefits

(i) Defined contribution plan

The Company makes payment to approved superannuation schemes, state government provident fund scheme, employee state insurance scheme and Maharashtra Labour Welfare Fund which are defined contribution plans. The

SYSTEMS AND COMPONENTS (INDIA) PVT LTD

(CIN: U74210MH1989PTC054107)

Notes to the financial statements

(All amounts in ₹ Millions, unless otherwise stated)

contribution paid/payable under the schemes is recognised in the statement of profit and loss during the period in which the employee renders the related service. The Company has no further obligations under these schemes beyond its periodic contributions.

(ii) Defined benefit plan

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

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to the profit and loss in subsequent periods.

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

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

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

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

2.13 Provisions and Contingencies

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

Provisions for cost of warranty obligations are recognised at the best estimate of the expenditure required to settle the Company's obligation.

However a disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of

SYSTEMS AND COMPONENTS (INDIA) PVT LTD

(CIN: U74210MH1989PTC054107)

Notes to the financial statements

(All amounts in ₹ Millions, unless otherwise stated)

which the likelihood of outflow of resources is remote, no provision or disclosure is made.

2.14 Revenue Recognition

- a) Revenue from contracts with customers for sale of goods or services is recognised when a performance obligation is satisfied either over a time or at a point in time by transferring a promised good or service under the contract to a customer and the customer obtains control of the same, creating a right to payment for the performance completed, the associated costs can be estimated reliably and the amount of revenue can be measured reliably.

Revenue towards satisfaction of a performance obligation is measured at the transaction price allocated to that performance obligation net of discounts, rebates and returns.

- b) Contract is recognised when parties to the contract approve the contract committing respective performance obligations, identify each parties rights to goods and services to be transferred under the contract, payment terms, thus has a commercial substance and where the Company shall be entitled to collect the consideration in exchange of goods or services to the Customer.
- c) In contracts under which performance obligation is satisfied at a point in time, revenue is recognised at point in time when the control is transferred. Evaluation of point of time when control is transferred is perform based on consideration of transfer of risks & rewards of ownership, legal title to the goods, acceptance or inspection by the customer, companies right to the payment and physical possession in case of domestic sales and in case of export on the date of bill of lading.
- d) In contracts under which performance obligation is satisfied over a period of time, covering multiple reporting dates, an input method is used to recognise the revenue as it corresponds to entity's efforts to the satisfaction of the performance obligation relative to total expected efforts.
- e) Such measurement may result in the Company recognising either contract asset or contract liability (unbilled revenue). The contract assets represents amount due from customer, primarily relate to the Company's rights to consideration for work executed but not billed at the reporting date. The contract assets are transferred to receivables when the rights become unconditional, that is when invoice is raised on achievement of contractual milestone. This usually occurs when the Company issues an invoice to the customer. The contract liabilities represents amount due to customer, primarily relate invoice raised on customer on achievement of milestone for which revenue is recognised over the period of time and after the reporting date.
- f) Performance obligations are identified based on individual terms of contract. If a contract contains more than one distinct good or service, the transaction price is

SYSTEMS AND COMPONENTS (INDIA) PVT LTD

(CIN: U74210MH1989PTC054107)

Notes to the financial statements

(All amounts in ₹ Millions, unless otherwise stated)

allocated to each performance obligation based on relative stand-alone selling prices. The company reasonably estimates the standalone selling prices if such prices are not observable. For each performance obligations identified as above

the revenue is recognised either at a point in time or over time. When the company's efforts or inputs are expended evenly throughout the performance period revenue is recognised on straight-line basis over time.

- g) Disaggregation of Revenue is depicted in Operating Segment.
- h) Rental income arising from operating leases is accounted for on a straight-line basis over the lease terms.
- i) Profit / Loss on sale of investments is recognized on the contract date.

2.15 Cash dividend

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

2.16 Earnings Per Share

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

2.17 Cash Flow Statement

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

SYSTEMS AND COMPONENTS (INDIA) PVT LTD

(CIN: U74210MH1989PTC054107)

Notes to the financial statements

(All amounts in ₹ Millions, unless otherwise stated)

2.18 Ind AS amendments and Standards not yet effective

In May 2025, MCA notified amendments to Ind AS 21 - The Effects of Changes in Foreign Exchange Rates, Ind AS 1, Presentation of Financial Statements and Ind AS 7, Statement of Cashflows applicable w.e.f. April 1, 2025. The Company has reviewed the amendments and based on its evaluation has determined that it does not have any significant impact in its financial statements.

In accordance with the recommendations of National Financial Reporting Authority (NFRA), Ind AS 118 – Presentation and Disclosure in Financial Statements will be applicable from 1 April 2027. The Company will evaluate the impact of the new standards for implementation in due course.

SYSTEMS AND COMPONENTS (INDIA) PVT LTD
(CIN : U74210MH1989PTC054107)
Notes to the financial statements
(All amounts in ₹ Millions, unless otherwise stated)

Note 3 Property Plant and Equipment

PARTICULARS	PROPERTY, PLANT AND EQUIPMENT								TOTAL
	FREE HOLD LAND	BUILDINGS	PLANT AND MACHINERY	ELECTRICAL INSTALLATION	OFFICE EQUIPMENTS	FURNITURE AND FIXTURE	VEHICLE	RIGHT OF USE ASSET	
Gross Carrying Amount As at 01/04/2024	17.52	150.21	33.01	11.67	2.07	0.40	2.10	2.28	219.26
Additions	-	-	0.09	-	0.01	-	-	4.74	4.84
Deductions and adjustments	-	43.76	0.03	-	0.01	-	0.90	0.65	45.35
Gross Carrying Amount As at 31/3/2025	17.52	106.45	33.07	11.67	2.07	0.40	1.20	6.37	178.75
Accumulated Depreciation As at 01/4/2024	-	57.04	26.37	9.37	1.81	0.21	1.80	0.54	97.14
Depreciation for the period	-	7.79	1.39	0.53	0.08	0.06	0.07	1.03	10.95
Deductions and Adjustments	-	7.79	0.03	-	0.01	-	0.82	-	8.65
Accumulated Depreciation up to 31/3/2025	-	57.04	27.73	9.90	1.88	0.27	1.05	1.57	99.44
Net Carrying Amount As at 31/3/2025	17.52	49.41	5.34	1.77	0.19	0.13	0.15	4.80	79.31
Gross Carrying Amount As at 01/04/2025	17.52	106.45	33.07	11.67	2.07	0.40	1.20	6.37	178.75
Additions	-	-	-	-	0.03	-	-	-	0.03
Deductions and adjustments	-	-	-	-	0.01	-	-	-	0.01
Gross Carrying Amount As at 31/03/2026	17.52	106.45	33.07	11.67	2.09	0.40	1.20	6.37	178.77
Accumulated Depreciation As at 01/04/2025	-	57.04	27.73	9.90	1.88	0.27	1.05	1.57	99.44
Depreciation for the period	-	4.76	1.03	0.38	0.06	0.04	0.04	1.85	8.16
Deductions and Adjustments	-	-	-	-	0.01	-	-	-	0.01
Accumulated Depreciation up to 31/03/2026	-	61.80	28.76	10.28	1.93	0.31	1.09	3.42	107.59
Net Carrying Amount As at 31/03/2026	17.52	44.65	4.31	1.39	0.16	0.09	0.11	2.95	71.18

Title deeds of Immovable Properties are held in name of the Company. For charge on Property, Plant and Equipment - see Note 55

The Company does not hold any benami property under the Benami Transactions (Prohibition) Act, 1988 and no proceeding has been initiated or is pending against the company for holding

SYSTEMS AND COMPONENTS (INDIA) PVT LTD**(CIN : U74210MH1989PTC054107)****Notes to the financial statements**

(All amounts in ₹ Millions, unless otherwise stated)

Note 4 : Other Financial Assets (Non-current)

Particulars	As at March 31, 2026	As at March 31, 2025
Unsecured, considered good		
Security Deposits	1.54	1.33
Margin money deposits with bank	-	20.65
Total	1.54	21.98

SYSTEMS AND COMPONENTS (INDIA) PVT LTD**(CIN : U74210MH1989PTC054107)****Notes to the financial statements**

(All amounts in ₹ Millions, unless otherwise stated)

Note 5 : Inventories

Particulars	As at March 31, 2026	As at March 31, 2025
Raw materials (including stock in trade)	57.74	66.21
Work in Progress	15.07	91.50
Finished Goods	0.51	3.64
Stock in Trade	-	-
Total	73.32	161.35

For charge on Inventories - see Note 55

SYSTEMS AND COMPONENTS (INDIA) PVT LTD**(CIN : U74210MH1989PTC054107)****Notes to the financial statements**

(All amounts in ₹ Millions, unless otherwise stated)

Note 6 : Trade receivables

Particulars	As at March 31, 2026	As at March 31, 2025
Unsecured, considered good		
Trade receivables	30.26	47.97
Receivables from related parties	-	-
Loss Allowance (for expected credit loss under simplified approach)	(4.46)	(2.74)
Total	25.80	45.23

1. Trade receivables are measured at amortised cost.
2. Trade receivables due from private companies in which director of the company, is a director or a member : 0 millions (March 31, 2025 : ₹ 0 millions)
3. There is no significant increase in credit risk identified in Current and Non-Current
4. For related party receivables, refer Note 35
5. For charge on Trade Receivables - see Note 55
6. For ageing of Trade Receivables - refer Note 38(2)(a)
7. Movement of Loss Allowance (for expected credit loss under simplified approach)

Particulars	Amount In ₹
As at March 31, 2024	2.28
Allowance made/(reversed) during the year	0.46
Written off	-
As at March 31, 2025	2.74
Allowance made/(reversed) during the year	1.72
Written off	-
As at March 31, 2026	4.46

SYSTEMS AND COMPONENTS (INDIA) PVT LTD

(CIN : U74210MH1989PTC054107)

Notes to the financial statements

(All amounts in ₹ Millions, unless otherwise stated)

Note 7: Cash and cash equivalents

Particulars	As at March 31, 2026	As at March 31, 2026
Cash in hand	0.07	0.07
Current accounts and debit balance in cash credit accounts	0.05	0.14
Total	0.12	0.21

SYSTEMS AND COMPONENTS (INDIA) PVT LTD
(CIN : U74210MH1989PTC054107)
Notes to the financial statements
(All amounts in ₹ Millions, unless otherwise stated)

Note 8 : Other Financial Assets (Current)

Particulars	As at March 31, 2026	As at March 31, 2025
Interest accrued on deposits	0.02	2.48
Other Receivables	0.10	0.11
Total	0.12	2.59

1. Other financial assets are measured at amortised cost.
2. Refer Note 37 for fair value disclosure of financial assets and financial liabilities and for fair value hierarchy.
3. Refer Note 38 on risk management objectives and policies for financial instruments.

SYSTEMS AND COMPONENTS (INDIA) PVT LTD

(CIN : U74210MH1989PTC054107)

Notes to the financial statements

(All amounts in ₹ Millions, unless otherwise stated)

Note 9 : Current Tax Assets/ (Liability) (net)

Particulars	As at March 31, 2026	As at March 31, 2025
Current Tax Assets/ (Liability) (net)	0.45	0.59
Total	0.45	0.59

SYSTEMS AND COMPONENTS (INDIA) PVT LTD**(CIN : U74210MH1989PTC054107)****Notes to the financial statements****(All amounts in ₹ Millions, unless otherwise stated)****Note 10 : Other current assets**

Particulars	As at March 31, 2026	As at March 31, 2025
Prepaid	0.09	0.01
Balances with revenue authorities	4.10	12.29
Unsecured Considered Good		
Advance to suppliers	0.11	2.71
Advance to employees	0.70	-
Other Assets	-	-
Total	5.00	15.01

SYSTEMS AND COMPONENTS (INDIA) PVT LTD
(CIN : U74210MH1989PTC054107)
Notes to the financial statements
(All amounts in ₹ Millions, unless otherwise stated)

Note 11 : Equity share capital

Authorised share capital

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of shares	₹ in Million	No. of shares	₹ in Million
Equity shares of ₹ 10 each (Previous Year Face Value ₹ 10 each)	15,00,000	15.00	15,00,000	15.00
Total	15,00,000	15	15,00,000	15

Issued, subscribed and fully paid up (Equity shares of ₹ 10 each (Previous Year Face Value ₹ 10 each))

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of shares	₹ in Million	No. of shares	₹ in Million
Outstanding at the beginning of the year	15,00,000	15.00	15,00,000	15.00
Changes during the year	-	-	-	-
Outstanding at the end of the year	15,00,000	15.00	15,00,000	15.00

Terms / Rights attached to the equity shares

The Company has a single class of equity shares having a face value of ₹ 10 each (Previous Year Face Value ₹ 10 each). Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder are in proportion to its share of the paid-up equity capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have

Shares held by holding/ultimate holding company and/or their subsidiaries/associates.

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of shares	₹ in Million	No. of shares	₹ in Million
Kirloskar Pneumatic Company Limited (Holding Company)	8,28,877	8.29	8,28,877	8.29

Number of shares held by each shareholder holding more than 5% Shares in the company

Equity share capital : (Equity shares of ₹ 10 each (Previous Year Face Value ₹ 10 each))	As at March 31, 2026		As at March 31, 2025	
	No. of shares	% of shareholding	No. of shares	% of shareholding
Kirloskar Pneumatic Company Limited	8,28,877	55.26%	8,28,877	55.26%
Mr V Sundararajan	6,71,123	44.74%	6,71,123	44.74%
Mrs Lakshmi Sundararajan	-	-	-	-
	15,00,000		15,00,000	

Promoter holdings

Equity share capital : (Equity shares of ₹ 10 each (Previous Year Face Value ₹ 10 each))	As at March 31, 2026		As at March 31, 2025	
	No. of shares	% of shareholding	No. of shares	% of shareholding
Mr V Sundararajan	6,71,123	44.74%	6,71,123	44.74%
Mrs Lakshmi Sundararajan	-	-	-	-
	6,71,123		6,71,123	

SYSTEMS AND COMPONENTS (INDIA) PVT LTD**(CIN : U74210MH1989PTC054107)****Notes to the financial statements**

(All amounts in ₹ Millions, unless otherwise stated)

Note 12 : Other equity

Particulars	As at March 31, 2026	As at March 31, 2025
Retained earnings		
Opening balance	99.72	146.77
Add : Profit for the year	(42.67)	(46.80)
Add : Other Comprehensive Income/(Loss) Being remeasurements of post employment benefit plans (Net off Tax)	0.27	(0.25)
Less : Appropriations		
Transferred to General reserve		
Final dividend		
Interim Dividend		
Balance available for appropriation	57.32	99.72

Nature and purpose of reserves :**i) Retained earnings in the statement of profit & loss :**

Surplus in Statement of Profit & Loss represents the undistributed profit of the Company as on Balance Sheet date.

SYSTEMS AND COMPONENTS (INDIA) PVT LTD
(CIN : U74210MH1989PTC054107)
Notes to the financial statements
(All amounts in ₹ Millions, unless otherwise stated)

Note 13 : Borrowings (non-current)

Particulars	As at March 31, 2026	As at March 31, 2025
Secured loan from bank	-	-
Unsecured loan from bank and NBFC	0.98	4.65
Subtotal	0.98	4.65
Less : Current maturities	0.98	3.67
Total	-	0.98
Total	-	0.98

- Borrowings are measured at amortised cost.
- Maturity profile of secured and unsecured loans (including current maturities)

Period	As at March 31, 2026	As at March 31, 2025
Less than three months	27.78	93.48
More three months and up to one year	0.49	2.81
More than one year and up to three years	-	0.98
More than three years and up to five years		
More than five years		

3. Nature and terms of repayment for unsecured borrowings

Particulars	Terms of Repayment	Security
Udyam loan from Ambit Finvest Pvt Ltd I. Loan Availed Rs. 3.5 Millions II. Interest Rate 16% (Loan completely repaid in FY 2025-26)	24 monthly installments starting from 5th Apr 2024	Not Applicable
Business loan from Deustch Bank I. Loan Availed Rs. 5 Millions II. Interest Rate 15%	36 monthly installments starting from 5th Oct 2023	Not Applicable

SYSTEMS AND COMPONENTS (INDIA) PVT LTD

(CIN : U74210MH1989PTC054107)

Notes to the financial statements

(All amounts in ₹ Millions, unless otherwise stated)

Note 14 : Lease Liabilities (non-current)

Particulars	As at March 31, 2026	As at March 31, 2025
Lease liabilities	1.66	2.71
Total	1.66	2.71

SYSTEMS AND COMPONENTS (INDIA) PVT LTD

(CIN : U74210MH1989PTC054107)

Notes to the financial statements

(All amounts in ₹ Millions, unless otherwise stated)

Note 15 : Deferred tax liabilities (net)

Particulars	As at March 31, 2026	As at March 31, 2025
Deferred tax liability	-	4.55
Arising on account of timing difference due to:		
a) Depreciation	-	4.40
b) Lease	-	0.15
Deferred tax assets	-	2.37
Arising on account of timing difference due to		
a) Leave encashment	-	0.56
c) Gratuity	-	0.98
d) Provision for Doubtful Debts	-	0.71
f) Lease	-	-
g) Delayed MSME Payment	-	0.11
h) Effect of transition to Ind AS	-	-
Total	-	2.18

Reconciliation of deferred tax assets (net)

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	2.18	5.26
Tax (income)/expense during the year recognised in profit or loss	(2.18)	(2.99)
Tax (income)/expense during the year recognised in OCI		(0.09)
Closing balance as at 31 March	-	2.18

SYSTEMS AND COMPONENTS (INDIA) PVT LTD**(CIN : U74210MH1989PTC054107)****Notes to the financial statements**

(All amounts in ₹ Millions, unless otherwise stated)

Note 16 : Provisions (non-current)

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for employee benefits		
Provision for compensated absences	0.94	1.81
Total	0.94	1.81

SYSTEMS AND COMPONENTS (INDIA) PVT LTD**(CIN : U74210MH1989PTC054107)****Notes to the financial statements**

(All amounts in ₹ Millions, unless otherwise stated)

Note 17 : Borrowings (current)

Particulars	As at March 31, 2026	As at March 31, 2025
Unsecured		
Borrowing from Banks and NBFC	-	0.00
Current maturities of long term borrowings (Refer Note 13)	0.98	3.67
Secured		
Overdraft	27.29	92.62
Total	28.27	96.29

Terms and Conditions of Cash Credit Facility

Particulars	Terms of Repayment	Security
Cash Credit from ICICI Bank I. Amount Sanctioned Rs. 100 Millions II. Interest Rate 9.50%	On Demand	Stock, Book Debt
Cash Credit from SBI Bank I. Amount Sanctioned Rs. 80 Millions II. Interest Rate 10.15%	On Demand	Stock, Book Debt, Hypothecation of Plant and machinery

SYSTEMS AND COMPONENTS (INDIA) PVT LTD**(CIN : U74210MH1989PTC054107)****Notes to the financial statements**

(All amounts in ₹ Millions, unless otherwise stated)

Note 18 : Trade Payables

Particulars	As at March 31, 2026	As at March 31, 2025
Due to micro, small and medium enterprises	18.24	14.48
Due to other than micro, small and medium enterprises	30.18	60.40
Total	48.42	74.88

1. Trade Payables are measured at amortised cost.
2. For related party disclosures, refer Note 35
3. Refer Note 37 for fair value disclosure of financial assets and financial liabilities and for fair value hierarchy.
4. Refer Note 38 on risk management objectives and policies for financial instruments.
5. Refer Note 38(2)(d) for ageing of Trade Payable

SYSTEMS AND COMPONENTS (INDIA) PVT LTD
(CIN : U74210MH1989PTC054107)
Notes to the financial statements
 (All amounts in ₹ Millions, unless otherwise stated)

Note 9 : Current Tax Assets/ (Liability) (net)

Particulars	As at March 31, 2026	As at March 31, 2025
Current Tax Assets/ (Liability) (net)	0.45	0.59
Total	0.45	0.59

SYSTEMS AND COMPONENTS (INDIA) PVT LTD**(CIN : U74210MH1989PTC054107)****Notes to the financial statements**

(All amounts in ₹ Millions, unless otherwise stated)

Note 10 : Other current assets

Particulars	As at March 31, 2026	As at March 31, 2025
Prepaid	0.09	0.01
Balances with revenue authorities	4.10	12.29
Unsecured Considered Good		
Advance to suppliers	0.11	2.71
Advance to employees	0.70	-
Other Assets	-	-
Total	5.00	15.01

SYSTEMS AND COMPONENTS (INDIA) PVT LTD
(CIN : U74210MH1989PTC054107)
Notes to the financial statements
(All amounts in ₹ Millions, unless otherwise stated)

Note 11 : Equity share capital

Authorised share capital

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of shares	₹ in Million	No. of shares	₹ in Million
Equity shares of ₹ 10 each (Previous Year Face Value ₹ 10 each)	15,00,000	15.00	15,00,000	15.00
Total	15,00,000	15	15,00,000	15

Issued, subscribed and fully paid up (Equity shares of ₹ 10 each (Previous Year Face Value ₹ 10 each))

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of shares	₹ in Million	No. of shares	₹ in Million
Outstanding at the beginning of the year	15,00,000	15.00	15,00,000	15.00
Changes during the year	-	-	-	-
Outstanding at the end of the year	15,00,000	15.00	15,00,000	15.00

Terms / Rights attached to the equity shares

The Company has a single class of equity shares having a face value of ₹ 10 each (Previous Year Face Value ₹ 10 each). Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder are in proportion to its share of the paid-up equity capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have

Shares held by holding/ultimate holding company and/or their subsidiaries/associates.

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of shares	₹ in Million	No. of shares	₹ in Million
Kirloskar Pneumatic Company Limited (Holding Company)	8,28,877	8.29	8,28,877	8.29

Number of shares held by each shareholder holding more than 5% Shares in the company

Equity share capital : (Equity shares of ₹ 10 each (Previous Year Face Value ₹ 10 each))	As at March 31, 2026		As at March 31, 2025	
	No. of shares	% of shareholding	No. of shares	% of shareholding
Kirloskar Pneumatic Company Limited	8,28,877	55.26%	8,28,877	55.26%
Mr V Sundararajan	6,71,123	44.74%	6,71,123	44.74%
Mrs Lakshmi Sundararajan	-	-	-	-
	15,00,000		15,00,000	

Promoter holdings

Equity share capital : (Equity shares of ₹ 10 each (Previous Year Face Value ₹ 10 each))	As at March 31, 2026		As at March 31, 2025	
	No. of shares	% of shareholding	No. of shares	% of shareholding
Mr V Sundararajan	6,71,123	44.74%	6,71,123	44.74%
Mrs Lakshmi Sundararajan	-	-	-	-
	6,71,123		6,71,123	

SYSTEMS AND COMPONENTS (INDIA) PVT LTD**(CIN : U74210MH1989PTC054107)****Notes to the financial statements**

(All amounts in ₹ Millions, unless otherwise stated)

Note 12 : Other equity

Particulars	As at March 31, 2026	As at March 31, 2025
Retained earnings		
Opening balance	99.72	146.77
Add : Profit for the year	(42.67)	(46.80)
Add : Other Comprehensive Income/(Loss) Being remeasurements of post employment benefit plans (Net off Tax)	0.27	(0.25)
Less : Appropriations		
Transferred to General reserve		-
Final dividend		-
Interim Dividend		-
Balance available for appropriation	57.32	99.72

Nature and purpose of reserves :**i) Retained earnings in the statement of profit & loss :**

Surplus in Statement of Profit & Loss represents the undistributed profit of the Company as on Balance Sheet date.

SYSTEMS AND COMPONENTS (INDIA) PVT LTD
(CIN : U74210MH1989PTC054107)
Notes to the financial statements
(All amounts in ₹ Millions, unless otherwise stated)

Note 13 : Borrowings (non-current)

Particulars	As at March 31, 2026	As at March 31, 2025
Secured loan from bank	-	-
Unsecured loan from bank and NBFC	0.98	4.65
Subtotal	0.98	4.65
Less : Current maturities	0.98	3.67
Total	-	0.98
Total	-	0.98

- Borrowings are measured at amortised cost.
- Maturity profile of secured and unsecured loans (including current maturities)

Period	As at March 31, 2026	As at March 31, 2025
Less than three months	27.78	93.48
More three months and up to one year	0.49	2.81
More than one year and up to three years	-	0.98
More than three years and up to five years		
More than five years		

3. Nature and terms of repayment for unsecured borrowings

Particulars	Terms of Repayment	Security
Udyam loan from Ambit Finvest Pvt Ltd I. Loan Availed Rs. 3.5 Millions II. Interest Rate 16% (Loan completely repaid in FY 2025-26)	24 monthly installments starting from 5th Apr 2024	Not Applicable
Business loan from Deustch Bank I. Loan Availed Rs. 5 Millions II. Interest Rate 15%	36 monthly installments starting from 5th Oct 2023	Not Applicable

SYSTEMS AND COMPONENTS (INDIA) PVT LTD

(CIN : U74210MH1989PTC054107)

Notes to the financial statements

(All amounts in ₹ Millions, unless otherwise stated)

Note 14 : Lease Liabilities (non-current)

Particulars	As at March 31, 2026	As at March 31, 2025
Lease liabilities	1.66	2.71
Total	1.66	2.71

SYSTEMS AND COMPONENTS (INDIA) PVT LTD

(CIN : U74210MH1989PTC054107)

Notes to the financial statements

(All amounts in ₹ Millions, unless otherwise stated)

Note 15 : Deferred tax liabilities (net)

Particulars	As at March 31, 2026	As at March 31, 2025
Deferred tax liability	-	4.55
Arising on account of timing difference due to:		
a) Depreciation	-	4.40
b) Lease	-	0.15
Deferred tax assets	-	2.37
Arising on account of timing difference due to		
a) Leave encashment	-	0.56
c) Gratuity	-	0.98
d) Provision for Doubtful Debts	-	0.71
f) Lease	-	-
g) Delayed MSME Payment	-	0.11
h) Effect of transition to Ind AS	-	-
Total	-	2.18

Reconciliation of deferred tax assets (net)

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	2.18	5.26
Tax (income)/expense during the year recognised in profit or loss	(2.18)	(2.99)
Tax (income)/expense during the year recognised in OCI		(0.09)
Closing balance as at 31 March	-	2.18

SYSTEMS AND COMPONENTS (INDIA) PVT LTD**(CIN : U74210MH1989PTC054107)****Notes to the financial statements**

(All amounts in ₹ Millions, unless otherwise stated)

Note 16 : Provisions (non-current)

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for employee benefits		
Provision for compensated absences	0.94	1.81
Total	0.94	1.81

SYSTEMS AND COMPONENTS (INDIA) PVT LTD**(CIN : U74210MH1989PTC054107)****Notes to the financial statements**

(All amounts in ₹ Millions, unless otherwise stated)

Note 17 : Borrowings (current)

Particulars	As at March 31, 2026	As at March 31, 2025
Unsecured		
Borrowing from Banks and NBFC	-	0.00
Current maturities of long term borrowings (Refer Note 13)	0.98	3.67
Secured		
Overdraft	27.29	92.62
Total	28.27	96.29

Terms and Conditions of Cash Credit Facility

Particulars	Terms of Repayment	Security
Cash Credit from ICICI Bank I. Amount Sanctioned Rs. 100 Millions II. Interest Rate 9.50%	On Demand	Stock, Book Debt
Cash Credit from SBI Bank I. Amount Sanctioned Rs. 80 Millions II. Interest Rate 10.15%	On Demand	Stock, Book Debt, Hypothecation of Plant and machinery

SYSTEMS AND COMPONENTS (INDIA) PVT LTD

(CIN : U74210MH1989PTC054107)

Notes to the financial statements

(All amounts in ₹ Millions, unless otherwise stated)

Note 18 : Trade Payables

Particulars	As at March 31, 2026	As at March 31, 2025
Due to micro, small and medium enterprises	18.24	14.48
Due to other than micro, small and medium enterprises	30.18	60.40
Total	48.42	74.88

1. Trade Payables are measured at amortised cost.
2. For related party disclosures, refer Note 35
3. Refer Note 37 for fair value disclosure of financial assets and financial liabilities and for fair value hierarchy.
4. Refer Note 38 on risk management objectives and policies for financial instruments.
5. Refer Note 38(2)(d) for ageing of Trade Payable

SYSTEMS AND COMPONENTS (INDIA) PVT LTD

(CIN : U74210MH1989PTC054107)

Notes to the financial statements

(All amounts in ₹ Millions, unless otherwise stated)

Note 19 : Lease Liabilities (current)

Particulars	As at March 31, 2026	As at March 31, 2025
Lease liabilities	1.05	0.87
Total	1.05	0.87

SYSTEMS AND COMPONENTS (INDIA) PVT LTD
(CIN : U74210MH1989PTC054107)
Notes to the financial statements
 (All amounts in ₹ Millions, unless otherwise stated)

Note 20 : Other financial liabilities (current)

Particulars	As at March 31, 2026	As at March 31, 2025
Employee Benefits Payable	3.34	4.09
Other payables	1.86	2.48
Total	5.20	6.57

SYSTEMS AND COMPONENTS (INDIA) PVT LTD
(CIN : U74210MH1989PTC054107)
Notes to the financial statements
 (All amounts in ₹ Millions, unless otherwise stated)

Note 21 : Provisions (current)

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for employee benefits		
Provision for gratuity	5.04	3.77
Provision for leave encashment	0.17	0.35
Total	5.21	4.12

SYSTEMS AND COMPONENTS (INDIA) PVT LTD**(CIN : U74210MH1989PTC054107)****Notes to the financial statements**

(All amounts in ₹ Millions, unless otherwise stated)

Note 22 : Other current liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Contract liabilities (advances from customers)	8.54	20.69
Advance Received for slump sale	-	-
Statutory dues including provident fund and tax deducted at source	5.92	0.46
Deferred Income		-
Other payables		-
Total	14.46	21.15

Movement in advance from customer	FY 2025-26	FY 2024-25
Opening Balance	20.69	22.93
Received during the year	8.54	20.69
Adjusted against receivables during the year	20.69	22.93
Closing Balance	8.54	20.69

During the year the company has recognized revenue of Rs. 20.69 Million from opening advance
(Previous year Rs. 22.93 Million)

SYSTEMS AND COMPONENTS (INDIA) PVT LTD**(CIN : U74210MH1989PTC054107)****Notes to the financial statements**

(All amounts in ₹ Millions, unless otherwise stated)

Note 23 : Revenue from operations

Particulars	For The Year Ended March 31, 2026	For The Year Ended March 31, 2025
Revenue from contract with customers	281.69	221.85
Sale of manufactured products	267.31	196.45
Sale of services	5.28	5.18
Sale of Traded Goods	9.10	20.22
Other operating income	0.89	0.54
Sale of scrap	0.68	0.28
Provisions no longer required written back	0.21	0.26
Total	282.58	222.39

SYSTEMS AND COMPONENTS (INDIA) PVT LTD**(CIN : U74210MH1989PTC054107)****Notes to the financial statements**

(All amounts in ₹ Millions, unless otherwise stated)

Note 24 : Other income

Particulars	For The Year Ended March 31, 2026	For The Year Ended March 31, 2025
Interest income on financial assets measured at amortised cost	6.19	1.28
Bank Interest	6.10	1.25
Other Interest	0.03	-
Interest income on security deposit	0.06	0.03
Gain on foreign exchange, (net)	0.02	-
Gain of derecognition of lease	-	0.08
Net Profit on sale of asset.	-	-
Miscellaneous income	0.26	0.39
Total	6.47	1.75

SYSTEMS AND COMPONENTS (INDIA) PVT LTD**(CIN : U74210MH1989PTC054107)****Notes to the financial statements**

(All amounts in ₹ Millions, unless otherwise stated)

Note 25 : Cost of materials consumed

Particulars	For The Year Ended March 31, 2026	For The Year Ended March 31, 2025
Opening Stock : Raw Materials	66.21	64.39
Purchases	130.31	186.53
Carriage Inwards	1.47	2.21
Less:Closing stock of raw materials	57.74	66.21
Total	140.25	186.92

SYSTEMS AND COMPONENTS (INDIA) PVT LTD**(CIN : U74210MH1989PTC054107)****Notes to the financial statements**

(All amounts in ₹ Millions, unless otherwise stated)

Note 26 : Purchases of stock in trade

Particulars	For The Year Ended March 31, 2026	For The Year Ended March 31, 2025
Purchases of Spares	4.10	8.45
Total	4.10	8.45

SYSTEMS AND COMPONENTS (INDIA) PVT LTD**(CIN : U74210MH1989PTC054107)****Notes to the financial statements**

(All amounts in ₹ Millions, unless otherwise stated)

Note 27 : Changes in inventories of work-in-progress ,traded goods and finished goods

Particulars	For The Year Ended March 31, 2026	For The Year Ended March 31, 2025
Opening inventory	95.13	44.72
Work-in-process	91.50	44.72
Stock in trade	-	-
Finished Goods	3.63	-
Closing Inventory	15.58	95.13
Work-in-process	15.07	91.50
Stock in trade	-	-
Finished Goods	0.51	3.63
(Increase)/decrease in inventory	79.55	(50.41)

SYSTEMS AND COMPONENTS (INDIA) PVT LTD**(CIN : U74210MH1989PTC054107)****Notes to the financial statements**

(All amounts in ₹ Millions, unless otherwise stated)

Note 28 : Employee benefits expense

Particulars	For The Year Ended March 31, 2026	For The Year Ended March 31, 2025
Salaries, Wages, Bonus, Ex-Gratia & Allowances	47.35	49.70
Contribution to provident and other funds	2.29	2.47
Staff Welfare Expenses	1.20	1.45
Total	50.84	53.62

SYSTEMS AND COMPONENTS (INDIA) PVT LTD**(CIN : U74210MH1989PTC054107)****Notes to the financial statements**

(All amounts in ₹ Millions, unless otherwise stated)

Note 29 : Finance costs

Particulars	For The Year Ended March 31, 2026	For The Year Ended March 31, 2025
Interest on loan	7.33	13.24
Interest on Lease Liability	1.25	0.52
Other Borrowing Cost	0.20	0.07
Total	8.78	13.83

SYSTEMS AND COMPONENTS (INDIA) PVT LTD**(CIN : U74210MH1989PTC054107)****Notes to the financial statements**

(All amounts in ₹ Millions, unless otherwise stated)

Note 30 : Depreciation and amortisation expense

Particulars	For The Year Ended March 31, 2026	For The Year Ended March 31, 2025
Depreciation and amortization expense		
Tangible Assets	6.31	9.90
ROU Asset	1.85	1.03
Total	8.16	10.93

(All amounts in ₹ Millions, unless otherwise stated)

Note 31 : Other expenses

Particulars	For The Year Ended March 31, 2026	For The Year Ended March 31, 2025
Power and Fuel Expense	2.84	3.04
Repairs to machinery	0.63	0.84
Contract labour charges	13.85	19.43
Freight Outward	1.42	3.72
Duties, Charges and Taxes	6.26	0.57
Provision for Doubtful Debt	1.72	0.47
Insurance	0.31	0.20
Repairs to building	0.65	0.01
Security Expense	0.79	0.44
Water Charges	0.24	0.26
Repairs & Maintenance to Others	0.83	0.78
Postage & Telephone	0.32	0.45
Vehicle expenses	0.01	0.05
Travelling and Conveyance Expense	3.37	3.74
Printing and Stationary	0.32	0.16
Donation	-	0.01
Legal and professional fees	2.48	4.63
Membership & subscription Expenses	0.11	0.92
Auditor's remuneration	0.37	0.28
Net loss on disposal of asset	0.00	3.80
Brokerage	-	0.03
Bank Charges	1.11	2.29
Lodging and Boarding Expense	2.24	2.39
Net Loss on foreign exchange	-	0.04
Miscellaneous Expenses	1.82	2.04
Total	41.69	50.59

SYSTEMS AND COMPONENTS (INDIA) PVT LTD
(CIN : U74210MH1989PTC054107)
Notes to the financial statements
(All amounts in ₹ Millions, unless otherwise stated)

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED March 31, 2026 (Contd.)

32: Employee benefits

i Defined Contribution Plans:

Amount of Rs. 2.19 Million (Previous Year Rs. 1.36 Million) is recognised as an expense and included in "Employees benefits expense" in Note 28 in the statement of Profit and Loss

ii Defined Benefit Plans - Gratuity :

The Company operates gratuity plan wherein every employee is entitled to the benefit as per the scheme of the Company, for each completed year of service. The gratuity is payable on termination of service or retirement, whichever is earlier at the rate of 15 days salary for every completed year of service where service is less than 15 years and at one month salary for every completed year of service when the service of an employee exceeds 15 years subject to maximum of 25 to 28 months salary depending upon category of the employee ensuring in any case that the benefit provided is not less than stipulated by the Code on Social Security, 2020 effective 21st November, 2025. The Company introduced new gratuity scheme w.e.f. 21st November, 2025 where the gratuity is payable on termination of service or retirement, whichever is earlier at the rate of 15 days salary for every completed year of service and capped at maximum amount as notified by the Government of India from time to time. For all these schemes the benefit vests only after five years of continuous service. The new scheme is also applicable to fixed term employees after completion of one year of service. The impact of implementation of the New Wage Code has been disclosed under past service cost.

a) The amounts recognised in balance sheet are as follows:

	March 31, 2026	₹ in Million March 31, 2025
	Gratuity Plan	Gratuity Plan
	(Funded)	(Funded)
A. Amount to be recognised in balance sheet		
Present value of defined benefit obligation	9.54	10.33
Less: Fair value of plan assets	4.50	6.56
Amount to be recognised as liability or (asset)	5.04	3.77
B. Amounts reflected in the balance sheet		
Liabilities	5.04	3.77
Assets		
Net liability/(assets)	5.04	3.77

b) The amounts recognised in the statement of profit and loss are as follows:

	March 31, 2026	₹ in Million March 31, 2025
	Gratuity Plan	Gratuity Plan
	(Funded)	(Funded)
Employee benefit expenses		
Current service cost	0.82	0.74
Past service cost	0.58	-
Finance cost		
Net interest (income)/expenses	0.26	0.63
Net periodic benefit cost recognised in the statement of profit and loss-	1.66	1.37

c) The amounts recognised in the statement of other comprehensive income (OCI) :

	March 31, 2026	₹ in Million March 31, 2025
	Gratuity Plan	Gratuity Plan
	(Funded)	(Funded)
1 Opening amount recognised in OCI outside profit and loss account	3.05	2.71
2 Remeasurements for the year - obligation (gain)/loss	(0.35)	0.35
3 Remeasurements for the year - plan assets (gain) / loss	(0.02)	(0.00)
4 Total remeasurements cost / (credit) for the year recognised in OCI	(0.37)	0.35
5 Less: Accumulated balances transferred to retained earnings	(0.37)	0.35
Closing balances (remeasurements (gain)/loss recognised OCI)	2.68	3.06

SYSTEMS AND COMPONENTS (INDIA) PVT LTD
(CIN : U74210MH1989PTC054107)
Notes to the financial statements
(All amounts in ₹ Millions, unless otherwise stated)

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED March 31, 2026 (Contd.)

d) The changes in the present value of defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows:

	March 31, 2026	₹ in Million March 31, 2025
	Gratuity Plan	Gratuity Plan
	(Funded)	(Funded)
1 Present value of obligation as at the beginning of the period	10.33	8.80
2 Acquisition adjustment		
3 Transfer in/ (out)		
4 Interest expenses	0.62	0.63
5 Past service cost	0.58	
6 Current service cost	0.82	0.74
7 Curtailment cost / (credit)		
8 Settlement cost/ (credit)		
9 Benefits paid	(2.46)	(0.19)
10 Remeasurements on obligation - (gain) / loss	(0.35)	0.35
Present value of obligation as at the end of the period	9.54	10.33

e) Changes in the fair value of plan assets representing reconciliation of the opening and closing balances thereof are as follows:

	March 31, 2026	₹ in Million March 31, 2025
	Gratuity Plan	Gratuity Plan
	(Funded)	(Funded)
1 Fair value of the plan assets as at beginning of the period	6.56	6.31
2 Acquisition adjustment		
3 Transfer in/(out)		
4 Interest income	0.36	0.45
5 Contributions	0.02	
6 Mortality Charges and Taxes	-	(0.02)
7 Benefits paid	(2.46)	(0.18)
8 Amount paid on settlement		
9 Return on plan assets, excluding amount recognized in Interest Income - gain / (loss)	0.02	0.00
10 Fair value of plan assets as at the end of the period	4.50	6.56
11 Actual return on plan assets		

100% of total plan assets are managed by the insurer - Life Insurance Corporation of India.

f) Net interest (income) / expenses

	March 31, 2026	₹ in Million March 31, 2025
	Gratuity Plan	Gratuity Plan
	(Funded)	(Funded)
1 Interest (income) / expense – obligation	0.62	0.63
2 Interest (income) / expense – plan assets	(0.36)	(0.45)
3 Net interest (income) / expense for the year	0.26	0.18

SYSTEMS AND COMPONENTS (INDIA) PVT LTD
(CIN : U74210MH1989PTC054107)
Notes to the financial statements
(All amounts in ₹ Millions, unless otherwise stated)

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED March 31, 2026 (Contd.)

Basis used to determine the overall expected return:

The net interest approach effectively assumes an expected rate of return on plan assets equal to the beginning of the year discount rate. As such expected return of 6.80% has been used for the valuation purpose.

g) Principal actuarial assumptions at the balance sheet date (expressed as weighted averages)

Gratuity:	March 31, 2026	March 31, 2025
Discount rate	7.00%	6.80%
Expected return on plan assets	6.80%	7.20%
Salary growth rate*	6.00%	6.00%
Attrition rate	3.00%	3.00%
Expected average remaining working lives	9.87*	10.25*
Mortality table		
	Age	Mortality Rate
	21	0.000934
	22	0.000937
	23	0.000936
	24	0.000933
	25	0.000931

* The estimates of future salary increase considered in actuarial valuation take into account inflation, seniority, promotion and other relevant factors.

h) General descriptions of defined benefit plans:

i) The Company expects to fund approximately Rs. 5 Million towards its gratuity plan in the year 2026-27

j) Sensitivity analysis

Sensitivity analysis indicates the influence of a reasonable change in certain significant assumptions on the outcome of the Present value of obligation (PVO). Sensitivity analysis is done by varying (increasing/ decreasing) one parameter by 100 basis points (1%)

Change in assumptions	₹ in Million	
	March 31, 2026	March 31, 2025
	PVO of Gratuity	
1 Discount rate		
Decrease by 1%	10.17	11.00
Increase by 1%	8.99	9.74
2 Salary increase rate		
Decrease by 1%	9.06	9.81
Increase by 1%	10.08	10.91
3 Withdrawal rate		
Decrease by 1%	9.51	10.31
Increase by 1%	9.58	10.36
k) Expected Future Benefit Payments		
Within the next 12 months	1.22	2.06
Between 2 & 5 years	7.05	5.70
Above 5 years	3.20	6.36

SYSTEMS AND COMPONENTS (INDIA) PVT LTD

(CIN : U74210MH1989PTC054107)

Notes to the financial statements

(All amounts in ₹ Millions, unless otherwise stated)

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED March 31, 2026 (Contd.)

l) Average Duration

Weighted average duration of the plan (based on discounted cash flows using mortality, withdrawal rate and interest rate) is 8.75 years (PY 8.53 years)

m) Risk Exposure And Asset Liability Matching

Provision of a defined benefit scheme poses certain risks, some of which are detailed hereunder, as companies take on uncertain long term obligations to make future benefit payments.

1) Liability Risk

a) Asset-Liability Mismatch Risk-

Risk which arises if there is a mismatch in the duration of the assets relative to the liabilities. By matching duration with the defined benefit liabilities, the company is successfully able to neutralize valuation swings caused by interest rate movements. Hence companies are encouraged to adopt asset-liability management.

b) Discount Rate Risk-

Variations in the discount rate used to compute the present value of the liabilities may seem small, but in practise can have a significant impact on the defined benefit liabilities.

c) Future Salary Escalation And Inflation Risk-

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

2) Asset Risk

All plan assets are maintained in a trust fund managed by a public sector insurer viz;**LIC of India.**

LIC has a sovereign guarantee and has been providing consistent and competitive returns over the years.

The company has opted for a traditional fund wherein all assets are invested primarily in risk averse markets. The company has no control over the management of funds but this option provides a high level of safety for the total corpus. A single account is maintained for both the investment and claim settlement and hence 100% liquidity is ensured and inflation risk are taken care of.

SYSTEMS AND COMPONENTS (INDIA) PVT LTD

(CIN : U74210MH1989PTC054107)

Notes to the financial statements

(All amounts in ₹ Millions, unless otherwise stated)

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED March 31, 2026 (Contd.)

32 : Employee benefits

iii Defined Benefit Plan - Compensated Absences:

The company has valued the compensated absences, as specified in Ind AS 19 on actuarial basis. Under the scheme an employee is entitled to maximum of 30 days leave in a year depending upon number of days he works during that year. An employee can accumulate not exceeding 10 days of leave in a year subject to a maximum of 120 days during his tenure. The benefit is payable on termination of service, retirement or death whichever is earlier. The benefit equates to the salary in respect of balance of leave. There is no requirement for funding this liability and as such entire liability continues to remain unfunded. The impact of implementation of the New Wage Code has been disclosed under past service cost.

a) The amounts recognised in balance sheet are as follows:

₹ in Million

	March 31, 2026	March 31, 2025
A. Amount to be recognised in balance sheet		
Present value of defined benefit obligation	1.11	2.16
Less: Fair value of plan assets	-	-
Amount to be recognised as liability or (asset)	1.11	2.16
B. Amounts reflected in the balance sheet		
Current Liabilities	0.17	0.35
Non Current Liabilities	0.94	1.81
Total Liability	1.11	2.16

b) The amounts recognised in the statement of profit and loss are as follows

₹ in Million

	March 31, 2026	March 31, 2025
Employee benefit expenses		
Current service cost	0.31	0.28
Past service cost	0.05	-
Finance cost		
Net interest (income)/expenses	0.13	0.15
Remeasurements for the year - obligation (gain)/loss	(0.94)	(0.19)
Net cost recognised in the statement of profit and loss	(0.45)	0.24

SYSTEMS AND COMPONENTS (INDIA) PVT LTD
(CIN : U74210MH1989PTC054107)
Notes to the financial statements
(All amounts in ₹ Millions, unless otherwise stated)

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED March 31, 2026 (Contd.)

- c) The changes in the present value of defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows:

	March 31, 2026	₹ in Million March 31, 2025
1 Present value of obligation as at the beginning of the period	2.16	2.00
2 Acquisition adjustment		
3 Transfer in/ (out)		
4 Interest expenses	0.13	0.14
5 Past service cost	0.05	
6 Current service cost	0.31	0.28
7 Curtailment cost / (credit)		
8 Settlement cost/ (credit)		
9 Benefits paid	(0.60)	(0.07)
10 Remeasurements on obligation - (gain) / loss	(0.94)	(0.19)
Present value of obligation as at the end of the period	1.11	2.16

- d) Principal actuarial assumptions at the balance sheet date (expressed as weighted averages)

Defined Benefit Plan -

Compensated Absences:

	March 31, 2026	March 31, 2025
Discount rate	7.00%	6.80%
Expected average remaining working lives	9.87*	10.25*
Salary growth rate*	6.00%	6.00%
Attrition rate	3.00%	3.00%
Mortality table		

Age	Mortality Rate
21	0.000934
22	0.000937
23	0.000936
24	0.000933
25	0.000931

* The estimates of future salary increase considered in actuarial valuation take into account inflation, seniority, promotion and other relevant factors.

- e) **Sensitivity analysis**

Sensitivity analysis indicates the influence of a reasonable change in certain significant assumptions on the outcome of the Present value of obligation (PVO). Sensitivity analysis is done by varying (increasing/ decreasing) one parameter by 100 basis points (1%)

	₹ in Million March 31, 2026	March 31, 2025
Change in assumptions	PVO of Compensated Absences	
1 Discount rate		
Increase by 1%	1.17	2.30
Decrease by 1%	1.04	2.03
2 Salary increase rate		
Increase by 1%	1.05	2.05
Decrease by 1%	1.16	2.28
3 Availment rate		
Increase by 1%	1.05	2.05
Decrease by 1%	1.15	2.26

- f) **Expected Future Benefit Payments**

Within the next 12 months	0.13	0.27
Between 2 & 5 years	0.60	0.90
Above 5 years	0.21	0.85

SYSTEMS AND COMPONENTS (INDIA) PVT LTD

(CIN : U74210MH1989PTC054107)

Notes to the financial statements

(All amounts in ₹ Millions, unless otherwise stated)

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED March 31, 2026 (Contd.)

g) Average Duration

Weighted average duration of the plan (based on discounted cash flows using mortality, withdrawal rate and availment rate) is 6.67 years (PY 6.87 years)

h) Risk Exposure And Asset Liability Matching

Provision of a defined benefit scheme poses certain risks, some of which are detailed hereunder, as companies take on uncertain long term obligations to make future benefit payments.

1) Liability Risk

a) Asset-Liability Mismatch Risk-

Risk which arises if there is a mismatch in the duration of the assets relative to the liabilities. By matching duration with the defined benefit liabilities, the company is successfully able to neutralize valuation swings caused by interest rate movements. Hence companies are encouraged to adopt asset-liability management.

b) Discount Rate Risk-

Variations in the discount rate used to compute the present value of the liabilities may seem small, but in practise can have a significant impact on the defined benefit liabilities.

c) Future Salary Escalation And Inflation Risk-

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

2) Unfunded Plan Risk

This represents unmanaged risk and a growing liability. There is an inherent risk here that the company may default on paying the benefits in adverse circumstances.

SYSTEMS AND COMPONENTS (INDIA) PVT LTD

(CIN : U74210MH1989PTC054107)

Notes to the financial statements

(All amounts in ₹ Millions, unless otherwise stated)

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED March 31, 2026 (Contd.)**33 : Revenue from Operations**

The disaggregation of revenue such as sales of products, sale of services, revenue from composite supply & leasing is given in Note No.23 - Revenue from Operations. Further disaggregation of revenue is given in operating segment in Note No. 34.

Most of the contracts are fixed price contracts and revenue is recognised at point in time. Most of payment terms are between 0 to 180 days. The terms of payment also varies in relation to class of customer with advance payments, milestone payments, customary credit terms with retention payment getting released as agreed in the contract.

The aggregate amount of remaining performance obligations and expected conversion of the same into revenue is Rs. 0.46 Million (PY Rs. 5.45 Million).

The Company provides to its customers warranties in the forms of repairs or replacement warranty under its standard terms and recognises it as warranty provision as per Ind AS 37 "Provision, Contingent Liabilities and Contingent Assets".

Reconciliation of the Company's Revenue from Contract with Customers

Particulars	₹ in Million	
	2025-26	2024-25
Contract Price	281.69	221.85
Adjustment for : Discounts, rebates, price concessions & incentives	-	-
Revenue from Contract with Customers	281.69	221.85

SYSTEMS AND COMPONENTS (INDIA) PVT LTD

(CIN : U74210MH1989PTC054107)

Notes to the financial statements

(All amounts in ₹ Millions, unless otherwise stated)

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED March 31, 2026 (Contd.)

34 Details of Operating Segment - Ind AS 108

₹ in Million

A.	Information about Operating Segment (See Note below)	2025-26			2025-24		
		COMPRESSIO N SYSTEMS	OTHER NON REPORTABLE SEGMENTS	TOTAL	COMPRESSIO N SYSTEMS	OTHER NON REPORTABLE SEGMENTS	TOTAL
	Sr.No. Particulars						
	1 Segment Revenue	282.58		282.58	222.39	-	222.39
	Sales						
	Less: Inter Segment Revenue						
	Net Revenue from Operations	282.58		282.58	222.39	-	222.39
	2 Result						
	Segment Result	(28.72)	(7.45)	(36.17)	(12.80)	(23.16)	(35.96)
	(Net of Income)						
	Operating Profit before Interest			(36.17)			(35.96)
	Less: Finance Cost			8.78			13.83
	Profit before Tax			(44.95)			(49.79)
	3 Other Information						
	Segment Assets	173.97	3.56	177.53	299.00	27.27	326.27
	Total Assets			177.53			326.27
	Segment Liabilities	76.93	28.28	105.21	111.93	99.63	211.56
	Total Liabilities			105.21			211.56
	4 Capital Expenditure During the year	0.03		0.03	4.84		4.84
	5 Depreciation and Impairment	8.16		8.16	10.93	-	10.93
				8.16			10.93
B	Revenue by location						
	1 In India	282.49		282.49	222.39	-	222.39
	2 Outside India	0.09		0.09	-	-	-
	Total			282.58			222.39
	All Assets of the Company are located within India						

C Other Disclosures

- Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Board of Directors has been identified as the chief operating decision maker. The Company has organized its operating segments based on product groupings. These operating segments have been aggregated as explained in Point 2.
- Composition of Operating Segment

Name of the Segment :	Comprises of :
a) Compression Systems	Air & Gas Compressors, Airconditioning & Refrigeration Compressors and Systems etc.
b) Other non-reportable Segments	Remaining non qualifying segments
- The Segment Revenue, Results , Assets and Liabilities include the respective amounts identifiable to each of the segment and amounts allocated on reasonable basis
- Revenue of Rs. 145.19 Million (PY Rs. Nil) is from single customer who has contributed more than 10% of revenue of the company in compression segment and is earned in India

SYSTEMS AND COMPONENTS (INDIA) PVT LTD
(CIN : U74210MH1989PTC054107)
Notes to the financial statements
(All amounts in ₹ Millions, unless otherwise stated)

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED March 31, 2026 (Contd.)
Note 35. Disclosure of Transactions with Related Parties as required by the Ind AS-24
(A) Names of the related parties

1) Key Management Personnel	V Sundararajan Sanjay Deshpande Harj Shah
2) Relatives of Key Management Personnel	Prejez Raj Shah (Wife) Narveshkumar Jayantilal Shah (Father) Smita Nuresh Shah (Mother) Kunjali Bhavik Shah (Sister) Shyama Deshpande (Wife) Gangadhar Deshpande (Father) Kunda Deshpande (Mother) Yogesh Deshpande (Son) Pallavi Deshpande (Daughter in Law) Janhavi Chemburkar (Daughter) Aditya Chemburkar (Son in Law) Anjali Dhaivale (Sister) Pratima Hiridkar (Sister) Lakshmi Sundararajan (Wife) Chakravartiy Vanheeswaran (Father) Pattammal Vankeeswaran (Mother) Nirmajaa Sundararajan (Daughter) C Vyankateshan (Brother) C Veeraratnadas (Brother) V Lakshmi (Sister) V Kousalya (Sister) Vasanthi V (Sister)
3) Holding Company	Kirloskar Pneumatic Company Limited
4) Entity controlled by a person or his close relatives where that person is either i) key management personnel of the Company or ii) has a control or joint control over the Company or iii) has significant influence over the Company	Raj Shah & Associates Raj Nureshkumar Shah HUF

SYSTEMS AND COMPONENTS (INDIA) PVT LTD
(CIN : U74210MH1989PTC054107)
Notes to the financial statements
(All amounts in ₹ Millions, unless otherwise stated)

35. Transactions with related parties

Particulars	Holding company		Entities over which key management personnel and their relatives are able to exercise significant influence		Key management personnel and relatives		Others		Total	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Sale of goods	7.20	0.32	-	-	-	-	-	-	7.20	0.32
Sale of services	0.05	-	-	-	-	-	-	-	0.05	-
Purchase of goods	-	-	-	-	-	-	-	-	-	-
Sale of property, plant and equipment	-	-	-	-	-	30.50	-	-	-	30.50
Services received	-	-	-	0.57	-	0.60	-	-	-	9.17
Reimbursement of expenses received	-	-	-	-	0.01	-	-	-	0.01	-
Rent paid	-	-	-	-	1.20	0.40	-	-	1.20	0.40
Remuneration	-	-	-	-	10.20	-	-	-	10.20	-
Sitting fees	-	-	-	-	-	-	-	-	-	-
Short-term employee benefits	-	-	-	-	-	-	-	-	-	-
Post-employment benefits	-	-	-	-	-	-	-	-	-	-
Royalty expense	-	-	-	-	-	-	-	-	-	-
Interest paid	-	-	-	-	-	0.33	-	-	-	0.33
Guarantee fees	-	-	-	-	-	-	-	-	-	-
Re-imbursement of expenses paid	0.30	0.31	-	-	-	-	-	-	0.30	0.31
Loan taken	-	-	-	-	-	-	-	-	-	-
Past Retirement Benefits Plans	-	-	-	-	-	-	-	-	-	-
Total	7.55	0.63	-	0.57	11.41	39.03	-	-	18.96	41.04

35. Balances with related parties at the year end

Particulars	Holding company		Entities over which key management personnel and their relatives are able to exercise significant influence		Key management personnel and relatives		Others		Total	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Receivables	-	-	-	-	0.89	-	-	-	0.69	-
Payables	-	-	-	-	0.25	0.98	-	-	0.25	0.98
Borrowings	-	-	-	-	-	-	-	-	-	-
Guarantee/Letter of comfort	-	-	-	-	-	-	-	-	-	-

Receiving of services includes Remuneration paid / payable to Key Managerial Personnel as per note no 36, and to Relatives of Key Managerial Personnel.

There are no loans and advances given in the nature of loans to above mentioned Related Parties.

There are no loans and advances given in the nature of loans to firms/companies in which directors are interested.

Transactions entered into with Related Party's are made on terms equivalent to those that prevail in arms length transactions.

Out-standing balances at the year end are unsecured and interest free and settlement occurs in cash.

The company has provided capital commitment of Rs.Nil to the related parties as at March 31, 2026 (March 31, 2025: Rs.Nil)

The company has provided guarantee of Rs.Nil to the related parties as at March 31, 2026 (March 31, 2025: Rs.Nil)

SYSTEMS AND COMPONENTS (INDIA) PVT LTD

(CIN : U74210MH1989PTC054107)

Notes to the financial statements

(All amounts in ₹ Millions, unless otherwise stated)

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED March 31, 2026 (Contd.)

36 Managerial Remuneration :

- a) Profit and Loss Account includes payments and provisions on account of Remuneration to the Executive Directors as under :

	FY 2025-26	FY 2024-25
	KMP	Executive Directors
Salary	10.20	7.00
Contribution to Provident Fund	-	-
Other perquisites	-	0.03
Gross Remuneration	10.20	7.03

Note :

1. As the employee wise breakup of contribution to gratuity fund is not ascertainable, the same has been included on the basis of entitlement in gross remuneration.
 2. As the employee wise breakup of liability of leave entitlement, based on actuarial valuation, is not ascertainable, the same has not been included in gross remuneration.
- b) As per Schedule V of the Companies Act, 2013 -
During the year, the company incurred a loss. In terms of Schedule V, Section II of the Companies Act, 2013, the remuneration payable to managerial personnel in case of no or inadequate profits is restricted to Rs. 8.4 million, based on the company's effective capital of Rs. 115.69 million. The company has paid remuneration of Rs. 17.23 million for the year, which exceeds the prescribed limit. Shareholder approval by way of a special resolution has been obtained and all applicable regulatory requirements have been complied with.

Particulars	(Rs. in Millions)
Share Capital	15.00
Reserve and Surplus	99.72
Long term Borrowings	0.98
Less : Investments	-
Effective Capital	115.70

SYSTEMS AND COMPONENTS (INDIA) PVT LTD**(CIN : U74210MH1989PTC054107)****Notes to the financial statements**

(All amounts in ₹ Millions, unless otherwise stated)

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED March 31, 2026 (Contd.)**37 : Financial instruments - fair values:****Accounting classifications and fair values**

The following table shows the carrying amounts of financial assets and financial liabilities which are stated at fair value/ amortised cost as applicable

	₹ in Million	
	Carrying value (stated at Fair value / Amortised cost)	
	March 31, 2026	March 31, 2025
A Financial assets		
Amortised cost		
Trade receivables	25.80	45.23
Other financial assets	1.66	24.58
Cash and cash equivalents	0.12	0.21
	<u>27.58</u>	<u>70.02</u>
B Financial liabilities		
Amortised cost		
Lease liabilities	2.71	3.58
Trade payables	48.42	74.88
Borrowings	28.27	97.27
Other financial liabilities	5.20	6.57
	<u>84.60</u>	<u>182.30</u>

The following methods and assumptions were used to estimate the fair values / amortised cost as applicable:

The fair values of the investments in unquoted equity shares have been estimated using valuation technique unless they approximate to carrying value. The valuation requires management to make certain assumptions about the model inputs, including forecast cash flows, discount rate, credit risk and volatility. The fair values of the remaining FVTOCI & FVTPL financial assets are derived from quoted market prices in active markets.

Carrying values of trade payables, trade receivables, employee loans, cash and cash equivalents, other bank balances, other financial assets & other financial liabilities which are stated at Amortised Cost reasonably approximate their fair value due to the short-term maturities of these instruments.

Loans in the nature of security deposits wherever significant have been stated at amortised cost using market rate of interest.

Long-term fixed-rate and variable-rate receivables are evaluated by the company based on parameters such as interest rates, individual creditworthiness of the customer and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables wherever applicable. As of reporting date, the fair value of such receivables, net of allowances, if any, are not materially different from their carrying values.

Borrowings are however obtained at market rates of interest available for debt on similar terms, credit risk and remaining maturities.

SYSTEMS AND COMPONENTS (INDIA) PVT LTD
(CIN : U74210MH1989PTC054107)
Notes to the financial statements
(All amounts in ₹ Millions, unless otherwise stated)

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED March 31, 2026 (Contd.)

38: Financial risk management

Financial risk management policy and objectives

The Company's principal financial liabilities comprise of borrowings and trade & other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade and other receivables, Cash and Cash equivalents which are derived directly from its operations.

Company is exposed to market risk and credit risk.

The management of these risks is overseen by the senior management which is advised by a team of senior officials. The Risk Management team oversees the policies and systems, on a regular basis to reflect changes in market conditions and company's activities and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

The board of directors reviews and agrees policies for managing each of these risk is summarised below

1) Market Risk

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

a) Foreign currency risk

Foreign currency risk is the risk that fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rate. Company transacts business in local currency INR and in different foreign currencies. Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales and purchases are denominated. Company's forex exposure is partly covered by natural hedge. For unhedged exposure refer note 39 - foreign currency sensitivity analysis.

b) Crypto Currency risk

The Company has not traded in any cryptocurrencies during the year. The Company does not hold any cryptocurrency or virtual currency as at March 31, 2026 and March 31, 2025. The Company has also not received any deposits or advances for the purpose of investing in cryptocurrencies or virtual currencies.

c) Interest rate risk

The Company has borrowings at variable interest rates. Profit or loss and equity are sensitive to higher / lower interest expense from borrowings as a result of change in the interest rates. The following sensitivity analysis has been performed for non-current and current borrowings.

Particulars	As at March 31, 2026	As at March 31, 2025
Total borrowings at variable interest rate	27.29	92.62
Interest rate swaps		
Net exposure to interest rate risk	27.29	92.62

b. Interest Rate Sensitivity

Particulars	Impact on pre tax profit or loss and pre tax equity	
	March 31, 2026	March 31, 2025
Increase 50 bps	0.14	0.46
Decrease 50 bps	-0.14	-0.46

2) Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its investing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. The Company has a large customer base and thus has no concentration of credit risks on a single customer. Also refer note 34 for customer who has contributed more than 10% of the revenue.

SYSTEMS AND COMPONENTS (INDIA) PVT LTD
(CIN : U74210MH1989PTC054107)
Notes to the financial statements
(All amounts in ₹ Millions, unless otherwise stated)

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED March 31, 2026 (Contd.)

38: Financial risk management

2) Credit Risk - contd.

a) Trade receivables

The management has established a credit policy under which each new customer is analysed individually for creditworthiness, before offering the payment and delivery terms and conditions.

- Company has different types of credit terms depending upon the type and credit worthiness of the customer. They are either on open terms or backed by Letter of Credit / Bank Guarantees.

- Based on analysis of individual cases, the management considers the impairment of receivables, if any.

The table summarises ageing for trade receivable:

Trade Receivable Ageing as at March 31, 2026							₹ in Million
Particulars	Outstanding for the following periods from due date of payment						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	0.44	6.30	3.10	17.53	0.28	2.61	30.26
(i) Undisputed Trade receivables -considered doubtful	-	-	-	-	-	-	-
(iii) Disputed trade receivables considered good	-	-	-	-	-	-	-
(iv) Disputed trade receivables considered doubtful	-	-	-	-	-	-	-
Total	0.44	6.30	3.10	17.53	0.28	2.61	30.26
Less : Loss Allowance	-	(0.01)	(0.89)	(0.88)	(0.07)	(2.61)	(4.46)
Net Trade	0.44	6.29	2.21	16.65	0.21	-0.00	25.80

Trade Receivable Ageing as at March 31, 2025							₹ in Million
Particulars	Outstanding for the following periods from due date of payment						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	0.01	23.56	9.54	10.57	3.62	0.67	47.97
(i) Undisputed Trade receivables -considered doubtful	-	-	-	-	-	-	-
(iii) Disputed trade receivables considered	-	-	-	-	-	-	-
(iv) Disputed trade receivables considered doubtful	-	-	-	-	-	-	-
Total	0.01	23.56	9.54	10.57	3.62	0.67	47.97
Less : Loss Allowance	-	(0.01)	(1.72)	(0.24)	(0.61)	(0.16)	-2.74
Net Trade Receivables	0.01	23.55	7.82	10.33	3.01	0.51	45.23

Expected credit loss on receivables is provided on the basis of previous estimated trend which is 0.10%, 5%, 25%, 100% for outstanding less than 6 months, 6 months to 2 years, 2 years to 3 years and more than 3 years respectively.

b) Cash and cash equivalents and bank and other deposits

The cash and cash equivalents are held with Banks with an external short term rating of "A1+". Thus, the Company considers that its cash and cash equivalents have low credit risks.

c) Liquidity risk

The table summarises the maturity profile of company's financial liabilities based on contractual undiscounted payments except lease liabilities.

Generally payment terms for Trade payable are between 0 to 90 days.

March 31, 2026						₹ in Million
Carrying amount	On demand	Less than 6 months	6-12 Months	>1 year	Total	
Lease Liabilities	2.71		0.49	0.56	1.66	2.71
Borrowings	28.27	28.27				28.27
Other financial liabilities	5.20		3.12	2.08		5.20
Trade payables	48.42		48.42			48.42

SYSTEMS AND COMPONENTS (INDIA) PVT LTD
(CIN : U74210MH1989PTC054107)
Notes to the financial statements
(All amounts in ₹ Millions, unless otherwise stated)

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED March 31, 2026 (Contd.)

₹ in Million

		March 31, 2025				
	Carrying amount	On demand	Less than 6 months	6-12 Months	>1 year	Total
Lease Liabilities	3.58		0.41	0.46	2.71	3.58
Borrowings	97.27	92.62	1.76	1.91	0.98	97.27
Other financial liabilities	6.57		3.94	2.63		6.57
Trade payables	74.88		74.88			74.88

d) The table summarises ageing for trade payable:

₹ in Million

Trade Payable Ageing as at March 31, 2026

Particulars	Outstanding for following periods from due date of payment					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i. MSME	0.06	18.18	-	-	-	18.24
ii. Others	12.64	17.43	-	-	0.11	30.18
Total	12.70	35.61	-	-	0.11	48.42

Trade Payable Ageing as at March 31, 2025

₹ in Million

Particulars	Outstanding for following periods from due date of payment					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i. MSME	-	14.16	0.20	-	0.12	14.48
ii. Others	9.96	50.42	0.02	0.00	-	60.40
Total	9.96	64.58	0.22	0.00	0.12	74.88

39: Foreign currency sensitivity analysis

(A) Exposure Hedged - Foreign Exchange Derivatives

₹ in Million

Nature of Instrument	Currency	Sale / Purchase	March 31, 2026	March 31, 2025
Forward Contracts	USD	Purchase	-	-

(B) Exposure Unhedged - Net - Payable / (Receivable)

Currency	Net exposure in foreign currency in Million		Net exposure in Rs. Million	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
SGD	-	0.02	-	1.09

₹ in Million

Currency	Sensitivity %	Impact on profit (strengthen)*		Impact on profit (weakening)*	
		March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
SGD	5%	-	0.06	-	(0.06)
Total INR					

(* Strengthening/ weakening of foreign currency)

40: Capital management

The Company's capital includes issued equity capital, share premium and free reserves.
The Company's policy is to meet the financial covenants attached to the interest-bearing borrowings by maintaining a strong capital base. The company aims to sustain investor, creditor and market confidence so as to be able to leverage such confidence for future capital/debt requirements.
Management monitors the return on capital, the capital/debt requirements for various business plans under consideration and determines the level of dividends to equity shareholders.
No changes were made in the objectives, policies or processes for managing capital during the financial years ended on March 31, 2026 and March 31, 2025.

The Company has not been declared as a wilful defaulter by any lender who has powers to declare a company as a wilful defaulter at any time during the financial year or after the end of reporting period but before the date when financial statements are approved.

Net debt position

₹ in Million

	March 31, 2026	March 31, 2025
Borrowings (including current maturities)	28.27	97.27
Less: Cash and cash equivalents & current investments	0.12	0.21
Net debt	28.15	97.06
Total Equity	72.32	114.72
Net debt to equity ratio	0.39	0.85

SYSTEMS AND COMPONENTS (INDIA) PVT LTD

(CIN : U74210MH1989PTC054107)

Notes to the financial statements

(All amounts in ₹ Millions, unless otherwise stated)

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED March 31, 2026 (Contd.)

41 Leases - Ind AS 116

A The Company as a Lessee :

has entered into agreements in the nature of Lease / Leave and License agreement with different Lessors / Licensors for the purpose of establishment of office premises / residential accommodations and assets. These are generally in nature of operating Lease / Leave and License and disclosure required as per Ind AS 116 with regard to the above is as under.

i) The Company does not have any Lease arrangements which are not recognised as ' Right-of-Use Asset ' and covered under paragraph 6 of Ind AS 116

ii) Where the Lease arrangements are recognised as ' Right-of-Use Asset ' under Ind AS 116

a. Depreciation charge for right-of-use assets amounts to Rs.1.85 Millions (Previous Year Rs.1.03 Millions)
Refer Note No.3 - Property, Plant & Equipment.

b. Interest Expenses on Lease Liability Rs.1.25 Millions (Previous Year Rs.0.52 Millions) is the non-cash movement in (leases) financing liability
Refer Note No.29 - Finance Cost and Statement of Cashflow.

c. The expense relating to leases accounted by applying paragraph 6 are given in Note 41 A above.

d. The Company has not entered into any transaction in the nature of Sub Lease.

e. The Company has not entered into a sale and leaseback transaction in current year. The gains/(losses) arising from that transaction were Rs.2.53 Millions in previous year.

f. The aggregate amount of cash outflow on account of leases covered including that of Note 41 A is Rs.2.121 Millions (Previous Year Rs.1.13 Millions)

g. The carrying amount of right-of-use assets at the end of the reporting period amount to Rs.2.95 Millions (Previous Year Rs.4.8 Million)
Refer Note No.3 - Property, Plant & Equipment.

h. For maturity profile of lease liability Refer Note No.38 (2) (c)

i. The incremental borrowing rate used is 6.84%

B The Company as a Lessor :

a.The Company has not entered into any agreements on variable lease payments.

b. The Company has not given any assets on Financial Lease basis.

c. The Company has not entered into any transaction in the nature of sale & lease back.

SYSTEMS AND COMPONENTS (INDIA) PVT LTD
(CIN : U74210MH1989PTC054107)
Notes to the financial statements
(All amounts in ₹ Millions, unless otherwise stated)

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED March 31, 2026 (Contd.)

42 Capital and other commitments:

	As at March 31, 2026	₹ in Million As at March 31, 2025
i. Estimated amount of Contracts remaining to be executed on Capital Account and not provided for, net of Advances.	-	-
ii. Guarantees given by Company's Bankers for Contracts undertaken by the Company are secured by a First Charge on Company's Inventories & Second Charge on Fixed Assets. Amount outstanding as on March 31, 2026, net of Advances.	27.94	53.30

43 Payment to Auditors :

	2025-26	₹ in Million 2024-25
(a) As Auditors	0.30	0.25
(b) In Other Capacity		
For Tax Audit	0.03	0.03
For Company Law and Other Matters	-	-
For Certificates	0.03	
(c) For Expenses	0.01	-
	0.37	0.28

44 Dividend :

The Company has not declared dividend during the financial year 2025-26.

45 Contingent Liabilities

- i. There are no Contingent Liabilities due as on Balance Sheet date.
- ii. The Company does not have any pending litigations which will have impact on its financial position in its financial statements.

SYSTEMS AND COMPONENTS (INDIA) PVT LTD**(CIN : U74210MH1989PTC054107)****Notes to the financial statements**

(All amounts in ₹ Millions, unless otherwise stated)

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED March 31, 2026 (Contd.)

	2025-26	₹ in Million 2024-25
46 Expenditure in Foreign Currencies (accrual basis) :		
CIF Value of Imports		
Raw Materials & Components	-	4.90
Capital Goods	-	
Other Expenses	-	0.13
Total	-	5.03
47 Earnings in Foreign Currencies (accrual basis) :	2025-26	2024-25
F.O.B. Value of Exports	0.09	-
Export of Services	-	-
Other Income	-	-
Total	0.09	-
48 Earnings per share :		
The calculations of profit attributable to equity shareholders and weighted average number of equity shares		
*Effective November 26, 2024, the Company received approval from its equity shareholders for the		
	2025-26	2024-25
Profit attributable to equity shareholders (Rs. in Million)	(42.67)	(46.80)
Weighted average number of equity shares used as denominator	15,00,000	15,00,000
Basic earnings per share of nominal value of Rs. 10/- each	In Rs. (28.45)	In Rs. (31.20)
Effect of dilution		
Stock option granted under ESOP (number of shares)		
Weighted average number of equity shares for the purpose of computing		
Diluted earnings per share of nominal value of Rs. 10/- each	In Rs. (28.45)	In Rs. (31.20)

SYSTEMS AND COMPONENTS (INDIA) PVT LTD**(CIN : U74210MH1989PTC054107)****Notes to the financial statements**

(All amounts in ₹ Millions, unless otherwise stated)

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED March 31, 2026 (Contd.)

- 49 The information as required to be disclosed under the "Micro, Small and Medium Enterprises Development Act, 2006" has been determined to the extent such parties have been identified on the basis of information available with the company. Based on disclosure, total outstanding of Micro, Small and Medium Enterprises to whom the company owes money is as under :

Particulars	₹ in Million	
	March 31, 2026	March 31, 2025
Total outstanding to MSME suppliers	18.24	14.48
Principal Amount	18.24	14.48
Interest Amount on above	-	-
Payment made to suppliers beyond the appointed day, during the year	-	-
Interest due and payable to suppliers under MSMED Act, for the payments already made	-	-
Interest accrued and remaining unpaid for the year to suppliers under MSMED Act	0.27	0.07
Interest remaining due & payable to suppliers under MSMED Act	0.27	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company.

SYSTEMS AND COMPONENTS (INDIA) PVT LTD
(CIN : U74210MH1989PTC054107)
Notes to the financial statements
(All amounts in ₹ Millions, unless otherwise stated)

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED March 31, 2026 (Contd.)

50 : Taxation

Company has provided Income Tax for the year ended on March 31, 2026 and remeasured its Deferred Tax Asset / Liability on the basis of rates prescribed under section 115BAA of the Income Tax Act, 1961 exercising the option permitted under that section.

Deferred Tax relates to following DTA / (DTL)	₹ in Million	
	As At March 31, 2026	As At March 31, 2025
Property, Plant & Equipments and Intangible Assets	-	(4.40)
Disallowance U/S 43B	-	2.22
Deferred Tax Asset / (Liability)	-	(2.18)

Movement in Temporary Differences	April 1, 2025	Recognised in Profit & Loss & OCI in 2025-26	March 31, 2026
Property, Plant & Equipments and Intangible Assets	(4.40)	4.40	-
Disallowance U/S 43 B	2.22	(2.22)	-
Net Deferred Tax Asset / (Liability)	(2.18)	2.18	-

There are no items in OCI, movement of which will require recognition of Deferred Tax Asset/Liability on account of temporary differences.

Due to foreseeable future losses, the Company does not expect sufficient taxable profits. Accordingly, no Deferred Tax Asset or Deferred Tax Liability has been recognised in the financial statements.

" The company has not surrendered or disclosed any income during the year in the tax assessments under the Income Tax Act, 1961."

SYSTEMS AND COMPONENTS (INDIA) PVT LTD
(CIN : U74210MH1989PTC054107)
Notes to the financial statements
(All amounts in ₹ Millions, unless otherwise stated)

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED March 31, 2025 (Contd.)

51 Expenditure on Corporate social responsibility ("CSR") activities:

The Company is not obliged as per Companies Act, 2013 to incur CSR expenses.

52 Ratios:

Ratios	Numerator	Denominator	Current Period	Previous Period	% Variance	Reason for Variance more than 25%
Current ratio	Total Current Assets	Total Current Liabilities	1.02	1.10	-7.5%	NA
Debt-equity ratio	Total Borrowing	Total Equity	0.39	0.85	-53.9%	Repayments made of term loans
Debt service coverage ratio	Profit for the year + Depreciation + Interest on Borrowing	Non Current Borrowing + Current Borrowing + Int. on Borrowing	(0.66)	(0.16)	314.6%	Repayment made of term loans and decrease in loss
Return on equity ratio	Profit for the year	Average of Opening & Closing (Total Equity - OCI Reserve)	-45.7%	-33.6%	35.7%	Loss for the year
Inventory turnover ratio	Cost of goods sold	Average of Opening & Closing Inventory	1.91	1.07	78.0%	Consumption has increased, resulting in lower closing inventory levels.
Trade receivables turnover ratio	Revenue from Operations - Other Operating Revenue	Average of Opening & Closing Trade Receivables	7.93	1.82	312.4%	Improved recoverability of trade receivables due to better collection efficiency.
Trade payables turnover ratio	Purchases	Average of Opening & Closing Trade Payables	2.18	2.20	-0.9%	NA
Net capital turnover ratio	Revenue from Operations - Other Operating Revenue	Total Current Assets - Current Investments - (Total Current Liabilities - Current Borrowing)	9.25	1.89	389.7%	Reduction in working capital
Net profit ratio	Profit for the year	Total Income	-14.8%	-20.9%	-29.3%	Increase in sales
Return on capital employed	Profit Before Tax + Finance Cost	Average of Opening & Closing Total Assets - Total Liabilities - Tangible CWIP - Intangible CWIP - Non Current Investment + Cost of Acquisition of Quoted + Unquoted Non-Current Investment	-36.0%	-16.8%	114.3%	Decrease in production and repayment of term loans
Return on investment	Profit Before Tax + Depreciation + Finance Cost - Income relating Current & Non Current Investments	Average of Opening & Closing Total Assets - Tangible CWIP - Intangible CWIP - Non Current Investment - Current Investments	NA	NA		

SYSTEMS AND COMPONENTS (INDIA) PVT LTD

(CIN : U74210MH1989PTC054107)

Notes to the financial statements

(All amounts in ₹ Millions, unless otherwise stated)

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED March 31, 2026 (Contd.)

53 Long term contracts :

The Company has a process whereby periodically all long-term contracts (including derivative contracts) are assessed for material foreseeable losses. At the year end, the Company has reviewed and ensured that adequate provision as required under any law/accounting standards for material foreseeable losses on such long-term contracts (including derivative contracts) has been made in the books of accounts. As on March 31, 2026 there are no such contracts.

54 The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.

55 Working capital facilities (fund based & non fund based) are secured by way of first charge on book debts and other tangible assets (comprising of inventory etc.) and second charge on Property, Plant and Equipment in favour of consortium of banks.

The company does not have any charges or satisfaction which is yet to be registered with the ROC beyond the statutory period.

Quarterly returns or statements of current assets filed by the Company with banks are in agreement with the books of accounts.

56 The company has complied with the number of layers prescribed under the Companies Act, 2013.

57 i. The company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

ii. The company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

58 Exceptional Items :

On November 21, 2025, the Government of India notified the four Labour Codes - the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 - consolidating 29 existing labour laws. The Ministry of Labour & Employment published draft Central Rules and FAQs to enable assessment of the financial impact due to changes in regulations. The Company has assessed and estimated the incremental impact of these changes on the basis of information available, consistent with the guidance provided by the Institute of Chartered Accountants of India. Considering the materiality and non-recurring nature of this impact on employee benefits, the Company has accounted Rs. 0.63 Million in the current year as "Exceptional Items" in the statement of profit and loss account. The impact is primarily arises due to change in wage definition. The Company continues to monitor the finalisation of Central / State Rules and clarifications from the Government on other aspects of the Labour Code and impact of these if any, will be evaluated and accounted for in accordance with applicable accounting standards in the period in which they are notified.

SYSTEMS AND COMPONENTS (INDIA) PVT LTD
(CIN : U74210MH1989PTC054107)
Notes to the financial statements
(All amounts in ₹ Millions, unless otherwise stated)

59 Transactions with Struck Off Companies

During the year, the Company had a relationship with a struck off company under section 248 of the Companies Act, 2013, as detailed below:

Name of the Struck Off Company	Nature of Transaction	Balance Outstanding	Relationship
Victory Alloy Steel Pvt Ltd	None	Nil	Subsidiary of Systems and Components India (Pvt) Ltd (holding company)

No transactions were carried out with the above-mentioned struck off company during the year, and there is no outstanding balance as at the year end.

60 Previous Years figures have been regrouped, rearranged or reclassified wherever necessary to correspond to Current Year's figures.

61 These financial statements were authorised for issue by the Board of Directors on April 14, 2026.

As per our attached report of even date

For Kirtane & Pandit LLP
Chartered Accountants
FRN No.: 105215W/W100057

Sd/-
Anand Jog
Partner
Membership No.: 108177
Date : April 14, 2026
Place : Pune

For and on behalf of the board of directors

Sd/-
Deepak Lokras
Chairman
DIN: 11600483
Date : April 14, 2026
Place : Pune

Sd/-
Sanjay Deshpande
Executive Director
DIN: 00807458
Date : April 14, 2026
Place : Pune

Sd/-
Aniket Deshpande
Company Secretary
M.No : A23094
Date : April 14, 2026
Place : Pune