S S KOTHARI MEHTA
& COMPANY
CHARTERED ACCOUNTANTS

INDEPENDENT AUDITOR'S EXAMINATION REPORT ON RESTATED FINANCIAL INFORMATION

To,

The Board of Directors

Kanohar Electricals Limited

Rithani Delhi Road
Meerut 250103
Uttar Pradesh, India

Dear Sirs/Madams,

1. This report is issued in accordance with the terms of our agreement dated February 25, 2025.

2. We have examined, the attached Restated Financial Information of Kanohar Electricals Limited (the "**Company**" or the "**Issuer**") and joint operation considered in financial statements of the company (together referred to as the "**Group**"), comprising of:
   a. The "Restated Statement of Assets and Liabilities" as at March 31, 2026, March 31, 2025 and March 31, 2024 under Indian accounting standard ("**Ind AS**");
   b. The "Restated Statement of Profit and Loss" (including other comprehensive income) of the Company for the financial year ended March 31, 2026, March 31, 2025 and March 31, 2024 under Ind AS;
   c. The "Restated Statement of Cash Flows" of the Company for the financial years ended March 31, 2026, March 31, 2025 and March 31, 2024 under Ind AS;
   d. The "Restated Statement of Changes in Equity" for the financial years ended March 31, 2026, March 31, 2025 and March 31, 2024 under Ind AS;
   e. The "Material Accounting Policies to the Restated Financial Information" and for the years ended March 31, 2026, March 31, 2025 and March 31, 2024 under Ind AS;
   f. The 'Notes to Restated Financial Information' of the Company for the financial years ended March 31, 2026, March 31, 2025 and March 31, 2024 under Ind AS; and
   g. The "Statement of Adjustments to the special purpose financial statements and Audited Financial Statement" pertaining to audited financial statement for the years ended March 31, 2026 and March 31, 2025 and audited special purpose financial statement for the year ended March 31, 2024 under Ind AS;

   (hereinafter together referred to as the "**Restated Financial Information**"), for the purpose of inclusion in the red herring prospectus ("**RHP**") and prospectus ("**Prospectus**") prepared by the Company in connection with its proposed initial public offer ("**IPO"** of equity shares of face value of ₹ 2 each of the Company (**"Equity Shares"** comprising of fresh issue of Equity Shares and an offer for sale of Equity Shares held by the Promoter Selling Shareholder (the **"Offer"**). The Restated Financial Information which has been approved by the Board of Directors of the Company at their meeting held on MMM DD, 2026, have been prepared by the Company in connection with its IPO prepared in terms of the requirements of:

   a. Section 26 of Part I of Chapter III of the Companies Act, 2013 (**the "Act"**) as amended from time to time;
   b. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("**ICDR Regulations**"); and
   c. The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the **"Guidance Note"**).

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Management's Responsibility for the Restated Financial Information

3. The Company's Board of Directors is responsible for the preparation of the Restated Financial Information for the purpose of inclusion in the RHP and Prospectus to be filed with the Registrar of Companies, Uttar Pradesh – II at Noida ("**RoC**"), and thereafter, with Securities and Exchange Board of India (the "**SEBI**"), BSE Limited and National Stock Exchange of India Limited (collectively, the "**Stock Exchanges**") in connection with the proposed IPO. The Restated Financial Information has been prepared by the management of the Company on the basis of preparation stated in Note 2 to the Restated Financial Information. The respective board of directors of the Group are responsible for designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information. The respective Board of Directors of the Group are also responsible for identifying and ensuring that the Group complies with the Act, the ICDR Regulations and the Guidance Note.

Auditor's Responsibilities

4. We have examined such Restated Financial Information taking into consideration:
    a. The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated February 25, 2025 in connection with the proposed IPO of equity shares of the Issuer;
    b. The Guidance Note. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
    c. Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Information; and
    d. The requirements of Section 26 of the Act and the ICDR Regulations,

Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.

5. These Restated Financial Information have been compiled by the Management of the Company from:
    a. Audited financial statements of the Group as at and for the year ended March 31, 2026, which were prepared in accordance with the Ind AS as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, as, and other accounting principles generally accepted in India("**Audited Financial Statement FY 2025-26**"), which have been approved by the Board of Directors at their meeting held on July 1, 2026.

    b. Audited financial statements of the Group as at and for the year ended March 31, 2025, which were prepared in accordance with the Ind AS as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, as, and other accounting principles generally accepted in India("**Audited Financial Statement FY 2024-25**"), which have been approved by the Board of Directors at their meeting held on August 14, 2025.

    c. Audited special purpose financial statement of the Group for the year ended March 31, 2024 prepared in accordance with the basis of preparation in accordance with the Ind AS as prescribed under Section 133 of the Act and other accounting principles generally accepted in India (" **Audited Special Purpose Financial Statement**"), which has been approved by the Board of Directors at their meeting held on January 23, 2026.

    The Audited Special Purpose Financial Statement have been prepared after making suitable adjustments to the accounting heads from their Indian Generally Accepted Accounting Principles ("**IGAAP**") values following accounting policies and accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101) consistent with that used at the date

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As at and for the year ended March 31, 2024 included in these Audited Special Purpose Financial Statement, is based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2021, specified under Section 133 and other relevant provisions of the Act audited by erstwhile statutory auditor M/s R P S G & Co. having firm registration no. 036209C ("**Predecessor Auditor**") who have issued an unmodified audit opinion vide audit report dated August 31, 2024 for the year ended March 31, 2024.

6. For the purpose of our examination, we have relied on:

   a. Auditors' report issued by us dated July 1, 2026 on the financial statements of the Group as at and for the year ended March 31, 2026, as referred to in para 5 above.
   b. Auditors' report issued by us dated August 14, 2025 on the financial statements of the Group as at and for the year ended March 31, 2025, as referred to in para 5 above.
   c. Auditors' report issued by Predecessor Auditor, on the financial statements of the Group as at and for the year ended March 31, 2024, as referred to in para 5 above.

7. These Restated Financial Information includes financial information of the following joint operation:
   a. Joint Operation, i.e. Kanohar-BCPL JV considered in the financial statements of the Company:

We have not audited the financial statements of joint operation for the year ended March 31, 2026, March 31, 2025 and March 31, 2024 whose share of total assets and total revenue included in the Restated Financial Information, which have been audited by M/s JPNGA & Company, ("**Other Auditor**") having firm registration 010198C who have issued an unmodified audit opinion vide audit report dated June 30, 2026, January 14, 2026, and January 14, 2026 respectively and whose reports have been furnished to us by the Company's management and our opinion on the Restated Financial Information, in so far as it relates to the amounts and disclosures included in respect of this joint operation, is based solely on the reports of the aforesaid auditor.

(In millions)

Particulars	**As at March 31, 2026**	**As at March 31, 2025**	**As at March 31, 2024**
Total asset	147.99	148.00	148.00
Total Revenue	-	-	-

In our opinion and according to the information and explanation given to us by Board of directors, this joint operation is not considered material to the Group.

8. We have complied with the relevant applicable requirements of the Standard on Quality Control ("**SQC**")1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

9. The auditors' reports on the Audited Financial Statement FY 2025-26, Audited Financial Statement FY 2024-25 and Audited Special Purpose Financial Statement referred to in paragraph 5 above contain the matters given below which did not require any adjustment in the Restated Financial Information:

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a. There are no qualifications in the auditors' reports on the audited financial statements of the Group as at and for the financial year ended March 31, 2026 and March 31, 2025, which have been audited by us, which require any adjustments to the Restated Financial Information.

b. There are no qualifications in the auditors' reports on the audited financial statement of the Group as at and for the financial year ended March 31, 2024, which have been audited by Predecessor Auditor, which require any adjustments to the Restated Financial Information.

c. However, there are comments (including negative comments) under the section – Companies (Auditor's Report) order, 2020 issued by the central government of India in terms of sub section (11) of section 143 of the Act ("**CARO 2020**") as at and for the year ended March 31 2026, March 31, 2025 and March 2024 (included in Annexure A to this report), which do not require any adjustments in the Restated Financial Information.

Opinion

10. Based on our examination and according to the information and explanations given to us and also as per the reliance placed on the reports submitted by the Predecessor Auditor and Other Auditor for respective years, we report that the Restated Financial Information:
    a. have been prepared after incorporating adjustments for the changes in accounting policies and regrouping/reclassifications retrospectively in the financial years ended March 31, 2025 and March 31, 2024 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed for year ended March 31, 2026;
    b. do not require any adjustment for modification as there is no modification in the underlying audit reports; and
    c. have been prepared in accordance with the Act, the ICDR Regulations and the Guidance Note.

11. We have not audited any financial Information of the Group at any date or for any period subsequent to March 31, 2026. Accordingly, we express no opinion on the financial position, results of operations, cash flows and statement of changes in equity of the Group as at any date or for any period subsequent to March 31, 2026.

12. The Restated Financial Information does not reflect the effects of events that occurred subsequent to the dates of the report on the Restated Financial Information as on March 31, 2026 mentioned in paragraph 5 above except which is mentioned in note no. 47 of Restated Financial Information.

13. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by Predecessor Auditor, Other Auditor and us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.

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Restriction on Use

14. Our report is intended solely for use of the Board of Directors for inclusion in the RHP and Prospectus to be filed with RoC, SEBI and Stock Exchanges where the Equity Shares of the Company are proposed to be listed in connection with the proposed IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume

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any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For S S Kothari Mehta & Company
Chartered Accountants
Firm's Registration No.022150N

NAVEEN AGGARWAL
Digitally signed by NAVEEN AGGARWAL
Date: 2026.08.20 20:40:48 +05'30'

SS KOTHARI MEHTA & COMPANY
NEW DELHI
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Naveen Aggarwal
Partner
Membership No.094380
UDIN: 26094380HJBWOO2426
Place: New Delhi
Date: August 20, 2026

Annexure A to The Independent Auditors' Examination Report on even date on the Restated Financial Information of Kanohar Electricals Limited.

Statements/comments included in the Companies (Auditor's Report) Order, 2020, in the independent auditor report issued by us as on March 31, 2026 which do not require any corrective adjustments in the Restated Financial Information.

Negative Comment

Clause 3 (ii)(b). According to the information and explanation given to us and based on our examination of records, the company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. The returns/statement filed at the end of each quarter during the year with banks are in agreement with books of accounts of company except the instances disclosed in note no. 42 of Restated Financial Information.

Comment

Clause 3 (vii)(a). the Company is regular in depositing undisputed statutory dues in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Services Tax, Sales Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess, Professional tax, and other material statutory dues as applicable, with the appropriate authorities though there has been a slight delays in a few cases. Further, there were no undisputed amounts outstanding at the year-end for a period of more than six months from the date they became payable.

Comment

Clause 3 (vii)(b). There are no statutory dues referred to in clause 3 (vii) (a) above which have not been deposited on account of any dispute except for the following:

(Rs. In millions)

Name of Statute	Nature of Dues	Amount of Dispute*	Period to which the amount relates	Forum where the dispute is pending
Goods & Services Act, 2017	SGST & CGST Act 2017 as applicable	2.05	FY 2020-21	Appellate-Tribunal (Karnataka)
Goods & Services Act, 2017	SGST & CGST Act 2017 as applicable	3.26	FY 2021-22	Appellate Authority (Karnataka)
Goods & Services Act, 2017	SGST & CGST Act 2017 as applicable	0.27	FY 2021-22	Commissioner Appeal (Himachal Pradesh)
UP Trade Tax Act	UP Trade Tax Act	0.41	FY 2016-17	High Court (Allahabad)
Bihar Value Added Tax 2005	Bihar Vat Act	3.49	FY 2015-16	Appellate-Tribunal (Bihar)

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Name of Statute	Nature of Dues	Amount of Dispute*	Period to which the amount relates	Forum where the dispute is pending
UP Trade Tax Act	UP Trade Tax Act	2.55	FY 2009-10	High Court (Allahabad)

Statements/comments included in the Companies (Auditor's Report) Order, 2020, in the independent auditor report issued by us as on March 31, 2025 which do not require any corrective adjustments in the Restated Financial Information.

Negative Comment

Clause 3 (ii)(b). According to the information and explanation given to us and based on our examination of records, the company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. The returns/statement filed at end of the quarter with banks are in agreement with books of accounts of company except the instances disclosed in note no. 43 of Restated Financial Information.

Comment

Clause 3 (vii)(a). The Company is regular in depositing undisputed statutory dues in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Services Tax, Sales Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess, Professional tax, and other material statutory dues as applicable, with the appropriate authorities except few instances of delays in deposition of TDS & advance tax. Further, there were no undisputed amounts outstanding at the year-end for a period of more than six months from the date they became payable.

Comment

Clause 3 (vii)(b). There are no statutory dues referred to in clause 3 (vii) (a) above which have not been deposited on account of any dispute except for the following:

(Rs. In millions)

Name of Statute	Nature of Dues	Amount of Dispute*	Period to which the amount relates	Forum where the dispute is pending
Goods & Services Act, 2017	SGST & CGST Act 2017 as applicable	2.17	FY 2020-21	Commissioner Appeal (Karnataka)
Goods & Services Act, 2017	SGST & CGST Act 2017 as applicable	0.87	FY 2019-20	Commissioner Appeal (Odisha)
Goods & Services Act, 2017	SGST & CGST Act 2017 as applicable	0.02	FY 2019-20	Commissioner Appeal (Uttar Pradesh)

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Name of Statute	Nature of Dues	Amount of Dispute*	Period to which the amount relates	Forum where the dispute is pending
UP Trade Tax Act	UP Trade Tax Act	0.41	FY 2016-17	High Court Allahabad
Bihar Value Added Tax 2005	Bihar Vat Act	0.86	FY 2015-16	Appellate-Tribunal (Bihar)

*The amount mentioned above excludes amount deposited under protest.

Negative Comment

Clause 3 (xiii). In our opinion, the company is in compliance with section 188 of the Act with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the note no 40 of Restated Financial Information as required by the applicable Ind AS, however the company is not in compliance with the Section 177 of the Act.

Statements/comments included in the Companies (Auditor's Report) Order, 2020, in the independent auditor report issued by the Predecessor Auditors as on March 31, 2024 which do not require any corrective adjustments in the Restated Financial Information.

Negative Comment

Clause 3 (iv). In Respect of Loans, investments, guarantees, and security, provision of section 185 and 186 of the Companies Act, 2013 have been complied with except non-charging of interest on the loan.

Comment

Clause 3 (vii)(a). The Company is regular in depositing undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess, and any other statutory dues to the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31st of March, 2024 for the period of more than six months from the date they become payable.

Comment

Clause 3 (vii)(b). There is no statutory dues referred to in sub-clause (a) that have been deposited on account of any dispute except following (if applicable):

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(Rs. In millions)

Name of the Statute	Nature of Dues	Amount of Dispute	Period to which the amount relates	Forum where the dispute is pending	Remarks, if any
Bihar VAT Act U/s 31(1) and 31(2)	Regular Assessment- Ex-parte order passed	9.63	FY 2014-15	Appellate-Tribunal	
Bihar VAT Act U/s 31(1) and 39(4)	Regular Assessment	3.23	FY 2015-16	CIT(A)	

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