KEL:SH:SE **Date:** November 13, 2026

To,
The Manager-Corporate Relations Department
BSE Limited
1st Floor, P J Towers
Fort, Mumbai- 400 001.

BSE Scrip Code: 500240

Subject: Monitoring Agency Report for the quarter ended September 30, 2026.

Dear Sir/Madam,

Pursuant to Regulation 32(6) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 enclosed herewith the Monitoring Agency Report with respect to the utilization of issue proceeds for the quarter ended September 30, 2026 issued by CARE Ratings Limited.

This is for your information and records.

Thanking you.
Yours faithfully,

For Kinetic Engineering Limited

Ajinkya Arunkumar Firodia

Digitally signed by Ajinkya Arunkumar Firodia
Date: 2026.11.13 17:51:03 +05'30'

Kinetic Engineering Limited Pune 411019. Chinchwad

Ajinkya Firodia
Vice Chairman & Managing Director
DIN: 00332204

Registered Address:
D1 Block, Plot No.18/2,
Chinchwad, Pune
Maharashtra India 411019

Factory Address:
Kinetic Manufacturing Plant
Nagar-Daund Road, Ahmednagar
Maharashtra India 414001

Contact: +91 2066142049
Email ID: kelinvestors@kineticindia.com
Website: www.kineticindia.com
CIN: L35912MH1970PLC014819

No. CARE/HO/GEN/2026-27/1234

The Board of Directors
Kinetic Engineering Limited
D-1 Block, Plot No. 18/2,
MIDC, Chinchwad,
Pune – 411019,
Maharashtra, India

November 13, 2026

Dear Sir,

Monitoring Agency Report for the quarter ended September 30, 2026 - in relation to the Preferential Issue of Kinetic Engineering Limited ("the Company")

We write in our capacity of Monitoring Agency for the Preferential Issue for the amount aggregating to ₹166.84 crore of the company and refer to our duties cast under Regulation 162A of the Securities & Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations.

In this connection, we are enclosing the Monitoring Agency Report for the quarter ended September 30, 2026 as per aforesaid SEBI Regulations and Monitoring Agency Agreement dated February 25, 2025.

Request you to kindly take the same on records.

Thanking you,
Yours faithfully

Ashish A Kambli
Associate Director
Ashish.K@careedge.in

Report of the Monitoring Agency
Name of the issuer: Kinetic Engineering Limited
For quarter ended: September 30, 2026.
Name of the Monitoring Agency: CARE Ratings Limited
(a) Deviation from the objects: NIL
(b) Range of Deviation: NIL

Declaration:

We declare that this report provides an objective view of the utilization of the issue proceeds in relation to the objects of the issue based on the information provided by the Issuer and information obtained from sources believed by it to be accurate and reliable. The MA does not perform an audit and undertakes no independent verification of any information/ certifications/ statements it receives. This Report is not intended to create any legally binding obligations on the MA which accepts no responsibility, whatsoever, for loss or damage from the use of the said information. The views and opinions expressed herein do not constitute the opinion of MA to deal in any security of the Issuer in any manner whatsoever. Nothing mentioned in this report is intended to or should be construed as creating a fiduciary relationship between the MA and any issuer or between the agency and any user of this report. The MA and its affiliates also do not act as an expert as defined under Section 2(38) of the Companies Act, 2013.

The MA or its affiliates may have credit rating or other commercial transactions with the entity to which the report pertains and may receive separate compensation for its ratings and certain credit related analyses. We confirm that there is no conflict of interest in such relationship/interest while monitoring and reporting the utilization of the issue proceeds by the issuer, or while undertaking credit rating or other commercial transactions with the entity.

We have submitted the report herewith in line with the format prescribed by SEBI, capturing our comments, where applicable. There are certain sections of the report under the title “Comments of the Board of Directors”, that shall be captured by the Issuer’s Management / Audit Committee of the Board of Directors subsequent to the MA submitting their report to the issuer and before dissemination of the report through stock exchanges. These sections have not been reviewed by the MA, and the MA takes no responsibility for such comments of the issuer’s Management/Board.

Signature: 
Name of the Authorized Signatory: Ashish A Kambli
Designation of Authorized person/Signing Authority: Associate Director

1) Issuer Details:

Name of issuer : Kinetic Engineering Limited
Name of the promoter : Jayashree Arun Firodia, Ajinkya Arun Firodia, Arun Hastimal Firodia, Sulajja Firodia Motwani, Jayashree Firodia Trust, Micro Age Instruments Pvt Ltd
Industry/sector to which it belongs : Auto Ancillaries

2) Issue Details

Issue Period : 18 months from date of allotment
Type of issue (public/rights) : Share warrants issued to Promoter & Non-Promoter Category
Type of specified securities : Warrants convertible into equity shares
IPO Grading, if any : Not Applicable
Issue size (in crore) : ₹177.10 crore (Note 1)

Note 1:

The company offered 1,03,56,725 fully convertible warrants, each convertible into one equity share of face value ₹10, to the Promoter and Non-Promoter groups on a preferential basis, in one or more tranches, at an issue price of ₹171 per warrant, aggregating to ₹177.10 crore. However, subscription was received for only 97,56,725 warrants, resulting in an undersubscription of the issue. Accordingly, the total issue was reduced to ₹166.84 crore

3) Details of the arrangement made to ensure the monitoring of the issue proceeds:

Particulars	Reply	Source of information / certifications considered by Monitoring Agency for preparation of report	Comments of the Monitoring Agency	Comments of the Board of Directors
Whether all utilization is as per the disclosures in the Offer Document?	Yes	Chartered Accountant certificate*, Management Confirmation, Bank statements and FD receipts	Utilization of gross proceeds is in line with the objects of the preferential issue (PI).	No comments received
Whether shareholder approval has been obtained in case of material deviations# from expenditures disclosed in the Offer Document?	Not applicable	Not applicable	Not applicable	No comments received
Whether the means of finance for the disclosed objects of the issue have changed?	Yes	Board Resolution (BR) dated May 13, 2025.	The issue size has reduced from ₹177.10 crore to ₹166.84 crore due to undersubscription for which the board approval was taken on May 13, 2025. Subsequently, the company has again reallocated the cost of objects vide board resolution (BR) dated March 11, 2026 wherein solar capex and payment of overdue liability amount were	No comments received

Particulars	Reply	Source of information / certifications considered by Monitoring Agency for preparation of report	Comments of the Monitoring Agency	Comments of the Board of Directors
			reduced and amount towards working capital requirements was increased. During the quarter, out of the total pending subscription amount to be received of ₹65.24 crore, the company has received ₹57.08 crore thereby balance amount of ₹8.16 crore is pending. The timeline of the receipt period ended on September 26, 2026.	
Is there any major deviation observed over the earlier monitoring agency reports?	No	Previous monitoring agency report	Not applicable	No comments received
Whether all Government/statutory approvals related to the object(s) have been obtained?	Not applicable	Not applicable	-	No comments received
Whether all arrangements pertaining to technical assistance/collaboration are in operation?	Not applicable	Not applicable	Not applicable	No comments received
Are there any favorable/unfavorable events affecting the viability of these object(s)?	Yes	Not applicable	Undersubscription and expiry of warrants due to non-receipt of funds may affect the viability of the objects.	No comments received
Is there any other relevant information that may materially affect the decision making of the investors?	Yes	Not applicable	The company reported net loss of ₹2.86 crore in Q1FY27 against profit after tax (PAT) of ₹0.52 crore in Q1FY26.	No comments received

**Chartered Accountant certificate from Pawan Jain & Associates dated October 23, 2026.*
#Where material deviation may be defined to mean:
a) Deviation in the objects or purposes for which the funds have been raised
b) Deviation in the amount of funds actually utilized by more than 10% of the amount projected in the offer documents.

4) Details of objects to be monitored:

(i) Cost of objects –

Sr. No	Item Head	Source of information / certifications considered by Monitoring Agency for preparation of report	Original cost (as per the Offer Document) in ₹ Crore	Revised Cost vide BR dated May 13, 2025 in ₹ Crore	Revised cost vide BR dated March 11, 2026 in ₹ crore	Comments of the Monitoring Agency	Comments of the Board of Directors		
							Reason for cost revision	Proposed financing option	Particulars of -firm arrangements made
1	Redemption of Preference Shares	As per Postal Ballot Notice^, Management Confirmation and Chartered Accountant Certificate*	19.64	19.64	19.64	Revision due to undersubscription by the non-promoter allottee. Revised cost was approved by board on May 13, 2025. Subsequently, the company has again reallocated the cost of objects vide board resolution dated March 11, 2026.	No comments received	No comments received	No comments received
2	Payment of Overdue Liabilities		5.36	5.36	4.82				
3	Investment in Subsidiary Company		120.00	120.00	120.00				
4	Capex including Solar Project		12.00	12.00	7.00				
5	Working Capital Requirements		10.10	8.00	13.54				
6	General Corporate Purpose		10.00	1.84	1.84				
Total			**177.10**	**166.84**	**166.84**				

^ Sourced from page 16 of the postal ballot notice and page 1 of corrigendum to postal ballot notice.

**Chartered Accountant certificate from Pawan Jain & Associates dated October 23, 2026.*

(ii) Progress in the objects –

Sr. No	Item Head	Source of information / certifications considered by Monitoring Agency for preparation of report	Amount as proposed in the Offer Document in ₹ Crore	Revised cost in ₹ Crore^	Total amount raised till Q2FY27	Amount utilised in ₹ Crore			Total unutilised amount in ₹ crore	Amount to be received in ₹ crore	Comments of the Monitoring Agency	Comments of the Board of Directors	
						As at beginning of the quarter in ₹ Crore	During the quarter in ₹ Crore	At the end of the quarter in ₹ Crore				Reasons for idle funds	Proposed course of action
1	Redemption of Preference Shares	As per Letter of Offer, Monitoring Account Statement and CA Certificate*	19.64	19.64	158.68	19.64	0.00	19.64	58.19	8.16	Nil utilization during the quarter	No comments received	No comments received
2	Payment of Overdue Liabilities	As per Letter of Offer, Monitoring Account Statement and CA Certificate*	5.36	4.82		4.82	0.00	4.82			Nil utilization during the quarter	No comments received	No comments received

Sr. No	Item Head	Source of information / certifications considered by Monitoring Agency for preparation of report	Amount as proposed in the Offer Document in ₹ Crore	Revised cost in ₹ Crore^	Total amount raised till Q2FY27	Amount utilised in ₹ Crore			Total unutilised amount in ₹ crore	Amount to be received in ₹ crore	Comments of the Monitoring Agency	Comments of the Board of Directors	
						As at beginning of the quarter in ₹ Crore	During the quarter in ₹ Crore	At the end of the quarter in ₹ Crore				Reasons for idle funds	Proposed course of action
3	Investment in Subsidiary Company	As per Letter of Offer, PAS 3 of KWVL#, Bank Statement of KWVL#, Management Confirmation and CA Certificate*	120.00	120.00		52.00	10.00	62.00			The funds received from issue proceeds were utilized towards equity investment in the subsidiary company i.e. Kinetic Watts and Volts Limited via right issue which is in line with the objects of the issue.	No comments received	No comments received
4	Capex including Solar Project	As per Letter of Offer, Management Confirmation and CA Certificate*	12.00	7.00		0.00	2.77	2.77			Payment made against the POs except for ₹0.38 crore wherein invoices were received%	No comments received	No comments received
5	Working Capital Requirements	As per Letter of Offer, Management Confirmation and CA Certificate*	10.10	13.54		11.09	0.17	11.26			Utilized towards vendor payments against the POs. %	No comments received	No comments received
6	General Corporate Purpose	As per Letter of Offer, Management Confirmation and CA Certificate*	10.00	1.84		0.00	0.00	0.00			Nil utilization during the quarter	No comments received	No comments received
Total			**177.10**	**166.84**	**158.68**	**87.55**	**12.94**	**100.49**	**58.19**	**8.16**			

**Chartered Accountant certificate from Pawan Jain & Associates dated October 23, 2026.*

#Verified from PAS3 filed by and Bank Statement of Kinetic Watts and Volts Limited.

^The revised cost is allocated under each object as per the board resolution dated May 13, 2025 and March 11, 2026.

%Supporting documents has been verified for 100% of the amount and Invoices/POs based on high value transactions (80% of the total value).

(iii) Deployment of unutilized proceeds:

(iv) Sr. No.	Type of instrument and name of the entity invested in	Amount invested (Rs in crore)	Maturity date	Earning	Return on Investment (%)	Market Value at the end of quarter (₹ In crore)
1	FDR, Saraswat Co-op Bank	50.00	October 11, 2026	0.10	4.65% p.a.	50.00
2	Monitoring Account, Saraswat Bank	8.19#	-	-	-	8.19
Total		**58.19**				**58.19**

**Verified from FD receipt from Saraswat Co-op Bank Ltd created from monitoring account, Monitoring Account of Saraswat Co-op Bank Ltd and Chartered Accountant certificate from Pawan Jain & Associates dated October 23, 2026.*

#The balance in the monitoring account stood at ₹8.22 crore as on September 30, 2026 out of which ₹0.03 crore relates to initial account opening amount deposited by the client through other business proceeds and ₹8.19 crore pertains to unutilized issue proceeds.

***Remarks:** The company has kept the unutilized proceeds in form of FDs with Saraswat Co-op Bank, which is a scheduled bank included in the second schedule of Reserve Bank of India, 1934, in lines with postal ballot and FORM PAS4*

(v) Delay in implementation of the object(s):

Objects	Completion Date		Delay (no. of days/ months)	Comments of the Board of Directors	
	As per the offer document	Actual		Reason of delay	Proposed course of action
Redemption of Preference Shares	To be utilized within 18 months from the receipt of the funds.	March 28, 2025	No delay	No comments received	No comments received
Payment of Overdues Liabilities		March 11, 2026	No delay	No comments received	No comments received
Investment in Subsidiary Company		On going	Not applicable	No comments received	No comments received
Capex including Solar Project		On going	Not applicable	No comments received	No comments received
Working Capital Requirements		On going	Not applicable	No comments received	No comments received
General Corporate Purpose		On going	Not applicable	No comments received	No comments received

The company has received total amount of ₹158.68 crore till September 30, 2026 in multiple transactions. The details of receipt of funds and its utilization are as follows:

Date of receipt	Amount (₹ crore)	Completion Date for the tranche as per timeline mentioned in the offer document	Actual completion date	Status of Delay
21-03-2025	0.86	12-09-2026	28-03-2025	No delay
26-03-2025	0.86	17-09-2026	28-03-2025	No delay
27-03-2025	17.83	18-09-2026	28-03-2025	No delay
27-03-2025	16.34	18-09-2026	12-08-2025	No delay
27-03-2025	5.83	18-09-2026	12-08-2025	No delay
29-03-2025	7.65	20-09-2026	04-11-2025	No delay

Date of receipt	Amount (₹ crore)	Completion Date for the tranche as per timeline mentioned in the offer document	Actual completion date	Status of Delay
29-03-2025	7.35	20-09-2026	28-01-2026	No delay
16-09-2025	5.13	10-03-2027	17-03-2026	No delay
09-03-2026	21.80	31-08-2027	25-05-2026	No delay
10-03-2026	17.95	01-09-2027	On going (Out of which ₹16.84 crore utilized; ₹1.11 crore to be utilized)	NA
22-09-2026	57.08	15-03-2028	On going	NA

5) Details of utilization of proceeds stated as General Corporate Purpose (GCP) amount in the offer document:

Sr. No	Item Head^	Amount in ₹ Crore	Source of information / certifications considered by Monitoring Agency for preparation of report	Comments of Monitoring Agency	Comments of the Board of Directors
No utilization during the quarter.					No comments received

^ Section from the offer document related to GCP: Not expressly mentioned in the postal ballot and FORM PAS 4.

Disclaimers to MA report:

a) This Report is prepared by CARE Ratings Ltd (hereinafter referred to as **"Monitoring Agency/MA"**). The MA has taken utmost care to ensure accuracy and objectivity while developing this Report based on the information provided by the Issuer and information obtained from sources believed by it to be accurate and reliable. The views and opinions expressed herein do not constitute the opinion of MA to deal in any security of the Issuer in any manner whatsoever.

b) This Report has to be seen in its entirety; the selective review of portions of the Report may lead to inaccurate assessments. For the purpose of this Report, MA has relied upon the information provided by the management /officials/ consultants of the Issuer and third-party sources like statutory auditor/internal auditor which is peer reviewed audit firm appointed by the Issuer believed by it to be accurate and reliable.

c) Nothing contained in this Report is capable or intended to create any legally binding obligations on the MA which accepts no responsibility, whatsoever, for loss or damage from the use of the said information. The MA is also not responsible for any errors in transmission and specifically states that it, or its directors, employees do not have any financial liabilities whatsoever to the users of this Report.

d) The MA and its affiliates do not act as a fiduciary. The MA and its affiliates also do not act as an expert to the extent defined under Section 2(38) of the Companies Act, 2013. While the MA has obtained information from sources it believes to be reliable, it does not perform an audit and undertakes no independent verification of any information/ certifications/ statements it receives from statutory auditor/internal auditor which is peer reviewed audit firm, lawyers, chartered engineers or other experts, and relies on in its reports.

e) The MA or its affiliates may have other commercial transactions with the entity to which the report pertains. As an example, the MA may rate the issuer or any debt instruments / facilities issued or proposed to be issued by the issuer that is subject matter of this report. The MA may receive separate compensation for its ratings and certain credit-related analyses, normally from issuers or underwriters of the instruments, facilities, securities or from obligors.